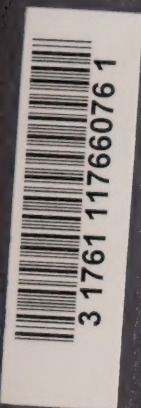


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Socio-economic Series

Issue 16

Low Income, Labour Force Participation and Women in Housing Need, 1991

Introduction

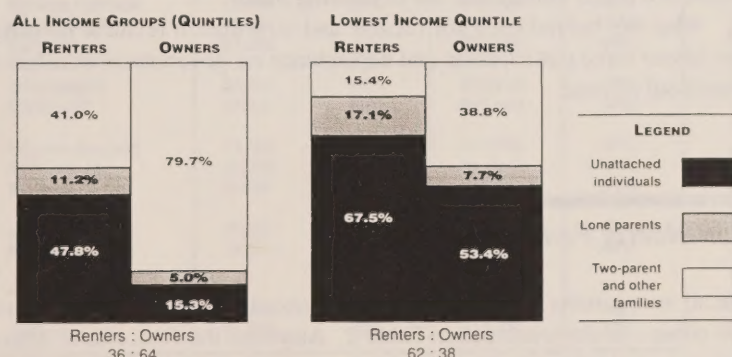
Finding and obtaining an appropriate dwelling is challenging for most households, especially those with low incomes. Indeed, in 1991, six out of ten households with incomes below Statistics Canada's low income cut-offs lived below today's housing standards. Unable to find dwellings adequate in condition, suitable in size, and affordable for their incomes, these households were in core housing need.

In this issue of *Research and Development Highlights*, core housing need is shown to be particularly related to low household income and lack of participation in the labour force. As in Issues 11 and 12, all information is based on 1991 data derived from housing cost surveys carried out by Statistics Canada for the federal and provincial housing agencies.

Findings

Although renters constitute only 36 per cent of all households in Canada, they make up 62 per cent of the households in the bottom one-fifth or lowest income quintile (Figure 1). Why? Low income households such as lone parents (predominantly female) or unattached individuals (living alone or sharing) traditionally rent. The result is that, with 25 per cent or one-quarter of all renter households in housing need, renters are five times more likely to be in need than owner households.

Figure 1 Tenure Profiles



Cette publication est aussi disponible en français sous le titre *Faibles revenus, main-d'œuvre active et femmes ayant des besoins de logement, 1991*

However, even amongst renters, some are more prone to housing need than others. As Table 1 shows, the most likely renter households to experience housing need are female-led, and lone parents or women living alone (both elderly and non-elderly).

**Table 1 Susceptibility to Housing Need and Low Income
– Selected Renter Households, 1991 –**

HOUSEHOLD GROUP	NO. OF HHLS. IN HOUSING NEED	COMPARATIVE DATA ON THE INCIDENCE OF NEED	LOW-INCOME STATUS (BOTTOM QUINTILE)
All female-headed renter households	507,000 3.9 of 10	• female heads were 2.4 times as likely to be in need as male heads.	725,000 5.5 of 10
• Elderly (65+) (90% living alone)	175,000 4.6 of 10	• female seniors were 1.4 times as likely to be in need as male seniors.	286,000 7.5 of 10
• Non-elderly			
a) Lone parents	160,000 4.9 of 10	• lone parents were 10.9 times as likely to be in need as male-led two-parent families (most of which owned).	187,000 5.8 of 10
b) Women living alone	148,000 3.1 of 10	• female individuals were 6.9 times as likely to be in need as male-led two-parent families (mostly owners).	225,000 4.7 of 10
c) Females sharing with others	25,000 1.9 of 10	• sharing, with either other unattached individuals or related family members, keeps housing need lower amongst this small group.	27,000 2.0 of 10

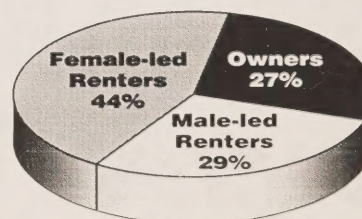
Low Income

Female-led renter households comprise a disproportionate 43.6 per cent of all households in core housing need (Figure 2). The most compelling reason is the low-income status of these households in need. Their average income in 1990 was only \$12,600, just 29.6 per cent of the income of male-led households not in core housing need.

Non-elderly women living alone held the dubious distinction of having the lowest average income of any renter household group in core housing need: \$10,700. These households spent on average 52 per cent of their income on shelter alone, or about two and one-half to three times as much as the average male- and female-led renter households not in housing need.

What lies behind such low income and how does it relate to housing need? The answer is low labour force participation and dependence on government transfers as the major source of household income.

Figure 2 Core Housing Need



Non-elderly Females

Not all lone parents and single women are equally exposed to housing need. In fact, there are two groups, as demonstrated in Table 2. Amongst the first, characterized by labour market participation and reliance on non-government earnings as the major source of household income, the likelihood of being in housing need (22 to 26 per cent) is little different from the overall renter household probability of being in need (25 per cent). In contrast, need is highly concentrated amongst households in the second group, noted for their lack of labour force participation and dependence on government payments for their major source of household income. While

Female-led
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20 to 30 per cent of those in the labour force generating their own income live in housing need, some 60 to 70 per cent not in the labour force and dependent on government transfer payments as their major source of income fall into core housing need. Lone parents dependent on government payments as their major source of income were more likely to be in need than any other group: only one-quarter of these households avoided living in housing need.

Table 2 Households in Housing Need by Labour Force (L.F.) Status, and Major Source of Income, 1991

TYPE OF HOUSEHOLD	L.F. STATUS/ SOURCE OF INCOME	HOUSEHOLDS IN NEED		AVERAGE INCOME	AVERAGE STIR**
		No.	%		
All non-elderly female renters 333,000	Head not in L.F.	163,000	57%	\$11,600	50%
	Head in L.F.	170,000	26%	\$13,500	48%
	Gov't. Payments	187,000	71%	\$11,600	51%
	Non-Gov't. Income	146,000	22%	\$13,800	46%
a) Lone parents 160,000	Head not in L.F.	95,000	66%	\$12,900	49%
	Head in L.F.	65,000	36%	\$14,800	44%
	Gov't. Payments	113,000	74%	\$13,200	48%
	Non-Gov't. Income	47,000	28%	\$14,900	45%
b) Women living alone 148,000	Head not in L.F.	56,000	50%	\$ 8,200	55%
	Head in L.F.	92,000	25%	\$12,200	50%
	Gov't. Payments	64,000	71%	\$ 8,000	58%
	Non-Gov't. Income	84,000	22%	\$12,700	48%

*L.F. Status refers to labour force activity at survey time.

**STIR stands for the household's Shelter Cost-to-Income Ratio.

While participation in the labour force is important, work status once in the labour force is equally important for the 170,000 non-elderly renters in core housing need with earners in the labour force. Table 3 illustrates that unemployment and part-time work are associated with low income and core housing need. While need affected up to 80 per cent of those who had not worked in the previous year, for those with full-time work, the incidence of housing need fell to 20 to 22 per cent, below the average incidence of need amongst renters.

Table 3 Households in Housing Need by Work Status in the Labour Force (L.F.), 1991

TYPE OF HOUSEHOLD	WORK STATUS	HOUSEHOLDS IN NEED		AVERAGE INCOME	AVERAGE STIR
		No.	%		
All non-elderly female renters in the L.F.: 170,000	Unemployed	46,000	56%	\$13,000	49%
	Employed	124,000	22%	\$13,700	47%
	No work last year	19,000	80%	\$11,700	48%
	Part-time only	44,000	46%	\$13,700	45%
	Full-time	107,000	20%	\$13,700	49%
a) Lone parents in the L.F.: 65,000	Unemployed	23,000	66%	\$14,400	45%
	Employed	42,000	29%	\$15,100	43%
	No work last year	13,000	80%	\$12,300	47%
	Part-time only	24,000	63%	\$14,900	42%
	Full-time	28,000	22%	\$15,900	44%
b) Women living alone in the L.F.: 92,000	Unemployed	20,000	58%	\$11,200	55%
	Employed	72,000	22%	\$12,400	49%
	No work last year	*	*	*	*
	Part-time only	17,000	47%	\$10,600	49%
	Full-time	71,000	22%	\$12,700	50%

Note: Employed/unemployed refers to work status at survey time, while full-time work is defined as working at least 30 hours a week during the previous year.
STIR refers to shelter cost-to-income ratio.

* Sample size is not sufficient to support reliable estimates for this small group of households.

Lone parents

dependent on

government

payments as

their major

source of

income were

more likely to be

in need than any

other group.

Elderly Females

Amongst retired elderly females, the major source of income is again the telling factor. Those dependent on government payments are over three times more likely to be in core housing need than those dependent on non-government income as their major income source (Table 4).

Table 4 Households in Housing Need by Major Source of Income, 1991

TYPE OF HOUSEHOLD	MAJOR SOURCE OF INCOME	HOUSEHOLDS IN NEED		AVERAGE INCOME	AVERAGE (STIR)
		No.	%		
All elderly females: 175,000	Gov't. Payments	162,000	54%	\$12,000	47%
	Non-Gov't. Income	13,000 *	16%	\$16,000	40%

* The sample supporting this estimate is marginal.

Conclusion

Low-income, female-led renter households experience housing need more often than any other type of household. Their need is directly related to low labour force participation and dependence on government transfer payments as their major source of income. Indeed, when they can obtain full-time work, their level of housing need drops dramatically. Even the experience of female lone parents shows this to be the case. If employed full-time, they can reduce the likelihood of being in need below the average experienced by all renter households.

This issue of *Research and Development Highlights* has been produced as a result of work carried out by the Research Division of Canada Mortgage and Housing Corporation (CMHC). It is the third issue to examine the nature of housing need in Canada in 1991. More general information on housing needs measurement concepts and tools is also available from Issue 7 of this series or from the comprehensive NHA report, "Core Housing Need in Canada." Any questions about the contents of this highlight may be directed to Mr. J. Engeland, Researcher, Housing Needs Analysis, at (613) 748-2799.

The Research and International Affairs Directorate of CMHC carries out and finances a broad range of research on the social, economic and technical aspects of housing. This CMHC *Research and Development Highlight* is one of a series intended to inform you briefly of the nature and scope of these activities.

For more information on CMHC housing research, contact:

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- Issue 11** Canadian Housing Need, 1991
- Issue 12** Families, Children, and Housing Need in Canada, 1991
- Issue 13** The Housing Choices of Immigrants, 1986
- Issue 14** Changing Canadian Households, 1971-91
- Issue 15** Sustainable Residential Developments: Planning, Design and Construction Principles (Greening the "Grow Home")

Research & Development Highlights

Socio-economic Series

Issue 11

Canadian Housing Need, 1991

Introduction

How well housed are Canadians as they prepare to meet the challenges of the 1990s? This issue of Research and Development Highlights profiles 1991 housing conditions and households in core housing need. The focus is on core housing need, which integrates today's three housing standards of dwelling size suitability, physical adequacy, and affordability into a single measure of our housing well-being. The concept of core housing need is fully described in Issue 7 of this series.

The Data

The data used in this report were specially collected by Statistics Canada for federal and provincial housing agencies from housing cost surveys added to the Labour Force Survey system in Spring 1991.

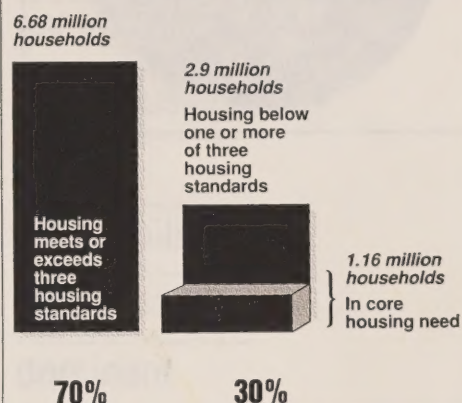
Housing conditions are profiled for approximately 9.5 million households. These households were the non-collective, off-reserve households living in the ten provinces surveyed by Statistics Canada. Living conditions of households in the Northwest Territories and the Yukon, the institutionalized population, roomers and boarders, and the homeless were not surveyed.

Findings

In 1991, seven out of every 10 Canadian households lived in dwellings which meet or exceed today's high housing standards. Three out of every 10 households experienced housing conditions below one or more housing standards. However, a majority of these (60%) had the means to improve their living conditions on their own.

The rest, accounting for about one in eight Canadian households, would not have been able to obtain unsubsidized market rental housing meeting suitability and adequacy norms without spending 30 per cent or more of their household incomes. They were in core housing need.

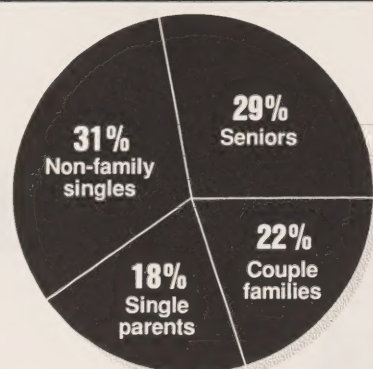
Figure 1: Canadian Housing Conditions – 1991



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Cette publication est aussi disponible en français sous le titre *Les besoins de logement au Canada en 1991*.

Figure 2: Types of Households in Core Housing Need – 1991



Who Is in Core Housing Need?

In 1991, renters were over 1.7 times more likely to live below housing standards than owners, and far more likely to lack the means to improve their housing conditions. As a result, renter households were five times more likely than owners to fall into need (25 of every 100 renter households compared to just 5 of every 100 owners). Seventy-three per cent of all households in need were renters. In addition, those in housing need can be distinguished by household type.

Table 1: Households in Need (Owners/Renters)

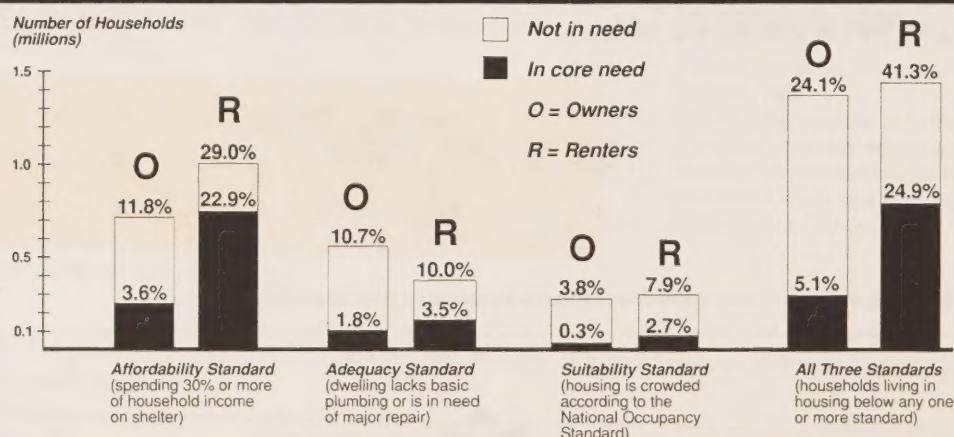
Household Type (average size)	Number in Need ('000s)	Incidence of Need	Owner/Renter Ratio of Those in Need
Seniors (1.2 persons)	335	17.7%	31%/69%
Couple Families (3.3 persons)	253	4.7%	44%/56%
Single Parents (2.7 persons)	215	34.7%	20%/80%
Non-family Singles (1.1 persons)	361	20.9%	15%/85%

Although they are the smallest group in need, single parents are the most likely to fall into core housing need. They are twice as likely to be in need as seniors and seven times more likely than couple families. Not surprisingly, 80 per cent of single parents in need are renters compared to just a little over half of couple families.

Why Are They in Core Housing Need?

In 1991, as in the past, the largest group of households living below housing standards were spending more than today's norm for their housing. Renters were more likely than owners to spend over the affordability norm and to fall into need. Three in ten renters spent 30 per cent or more of their income on shelter as compared to one in ten owners. While 80 per cent of all renters spending this much fell into core housing need, only 30 per cent of owners

Figure 3: Number and Percentage of Households Living in Housing Below Standards, Showing Those in Core Housing Need, Canada 1991



did. For both owners and renters who fell into core housing need, affordability remained the dominant problem. Seventy-one per cent of owners and 92 per cent of renters in core need spent 30 per cent or more of their income on shelter.

The second largest group of households living in housing falling below one of today's standards occupied units which they themselves assessed as needing major repairs. Again, renters were more vulnerable to falling into need because their housing did not meet the adequacy standard. Renters living in dwellings needing major repairs were twice as likely as owners to fall into core housing need.

Finally, 1991 data indicate that crowded living conditions continue to diminish. They are the third and least likely cause of housing need. Renters were much more likely than owners to occupy housing with less space than prescribed by the National Occupancy Standard. As a result, less than 10 per cent of all households in core housing need were crowded in 1991 and, as in the past, over 80 per cent of these were renters.

Table 2: Household Income and the Shelter Cost-to-Income Ratios of Households by Type and Core Housing Need Status – 1991

1. Average Household Income for 1990 (\$)

Seniors	Non-elderly Singles	Couple Families	Single Parents	
33,300	36,900	59,200	40,800	<i>Not in Need</i>
13,000	11,100	15,400	14,200	<i>In Core Need</i>

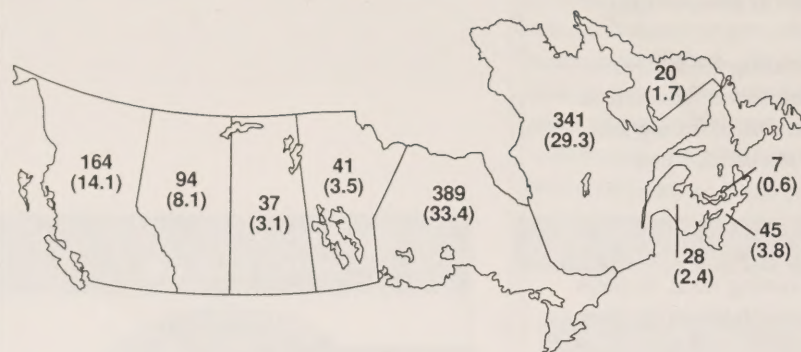
2. Average Shelter Cost-to-Income Ratio

Seniors	Non-elderly Singles	Couple Families	Single Parents	
42%	50%	46%	47%	<i>In Core Need</i>
15%	20%	15%	18%	<i>Not in Need</i>

What is behind the high incidence of housing need experienced by some types of households? Very low incomes is the compelling answer — incomes only one-quarter to one-third those enjoyed by their counterparts who are not in core housing need. These incomes result in shelter cost burdens up to three times as high as those borne by households not in need. The lowest incomes and highest shelter cost burdens are experienced by non-elderly singles.

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Households in Core Housing Need, by Province – 1991 (estimates in '000s with percentage distribution in parentheses)



Where Do the Housing "Needy" Live?

Almost 60 per cent of households in housing need in 1991 lived in Ontario and Quebec. The likelihood of being in need, however, was highest in Quebec, B.C., P.E.I. and Nova Scotia. Although households were less likely to be in need in Ontario, their probability of being in need had increased significantly since 1988, the last time housing need was measured by Canada's federal and provincial housing agencies. This change was a result of the particular severity of the recessionary period on Ontario's industrial economy.

Conclusion

A comprehensive and current understanding of housing need is essential to monitor housing conditions in Canada for policy, planning and evaluation purposes. This issue has provided a sketch of the most up-to-date housing needs information available today. Upcoming issues will tackle specific aspects in greater detail. For example, a Research and Development Highlight on the family and core housing need is forthcoming in advance of the International Year of the Family. The income and labour force status of households in need will be addressed in another issue.

This issue of Research and Development Highlights has been produced as a result of work carried out in the Research Division of Canada Mortgage and Housing Corporation (CMHC). For further information, contact Mr. J. Engeland, Researcher, Housing Needs Analysis, at (613) 748-2799.

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Research & Development Highlights

Socio-Economic Series

Issue 23

Housing the New Family: Reinventing Housing For Families

Introduction

In recent decades, the traditional Canadian family — wage-earner father, homemaker mother and children — has been replaced by the dual-earner family as the most common family form. Families led by a single parent, usually a mother, have also become more common over the same period.

The changing structure and role of the Canadian family have implications for housing and communities.

This Research and Development highlight presents the results of a survey on the housing needs and preferences of young families. The survey indicates that young families remain strongly attracted to detached single-family homes located in suburbs. However, it also reveals that many young families are interested in communities that combine higher density housing with a variety of family-oriented services and amenities.

Methodology

The survey, conducted in 1993, randomly sampled 450 young families in Toronto, Montréal and Vancouver. (A young family was defined as including one or more children aged twelve or under living at home.) One hundred and fifty respondents were interviewed from each metropolitan area, and responses were weighted according to population.

The survey collected information on the housing status of respondents, their area of residence, socio-demographic background, distance and mode of travel to work, and the pressures related to work and family responsibilities. It asked respondents to indicate their preferences on a variety of issues related to housing, neighbourhoods, density and amenities, and asked about the appeal of a new housing model.

Housing And Community

Design Can

Help Households

Balance Family

Responsibilities

Table 1
Current and Preferred Housing Form

	Total %	Toronto %	Vancouver %	Montreal %
Detached House				
Currently Live In	48	44	72	40
Would Prefer To Live In	80	83	89	71
Semi-Detached House				
Currently Live In	12	16	5	10
Would Prefer To Live In	4	3	3	6
Town House / Row House / Duplex / Triplex				
Currently Live In	19	14	16	25
Would Prefer To Live In	10	7	7	15
Apartment				
Currently Live In	22	25	7	25
Would Prefer To Live In	5	5	1	8

Cette publication est aussi disponible en français sous le titre *Loger la famille nouvelle : Réinventer le logement des familles*.

8 Of 10 Respondents Aspire To Own A Detached Single Family Home

Findings

Continuation of the Canadian Dream

According to Table 1, families continue to aspire to own a detached single family home. Eight of every ten respondents chose this housing form over all others when asked what type of dwelling unit they would like to move to in the next three to five years. This exceeds the percentage of respondents (48%) living in this dwelling type at the time of survey. Eight of every ten respondents also expressed a desire to own their own dwelling unit. However, as Table 2 shows, fewer respondents expected to own such a house in Montréal (77%) than in Toronto (84%) or Vancouver (85%).

Respondents were less enthusiastic about apartment housing. Whereas approximately one fifth of respondents were living in apartments, only one in twenty preferred this housing form. As with home ownership, housing preference varied by metropolitan area. Residents of Montréal were least likely to prefer the detached home, while Vancouver residents were most likely to prefer it.

A Suburban Lifestyle

When presented with the option of staying in their current area of residence or moving, almost three quarters of respondents would remain where they currently lived (see Table 3). One quarter of young families responded that they would move to another part of the city. Responses differed for various regions of the city: the proportion of families who would stay in the downtown centre, near downtown, or not too far from downtown was lower than the proportion of young families currently residing in these areas. In contrast, more families would choose to live in the suburbs (39%) than were residing there at the time of the survey (33%). The survey found these responses consistently in Toronto and Montréal; in Vancouver, no change in the percentage of families was recorded for the downtown area and the established residential areas near downtown.

With regard to neighborhood features, young families rank privacy as more important than family-oriented or community amenities (see Figure 1). When asked which

Table 2
Comparison of Current and Anticipated Tenure

	Total %	Toronto %	Vancouver %	Montreal %
Ownership				
Current	58	57	65	57
Anticipated	82	84	85	77
Rental				
Current	41	43	34	44
Anticipated	15	12	14	19

Table 3
Current and Preferred Area of Residence

Type of Area Respondents would select if moving in next 3 - 5 years

	Total %	Toronto %	Vancouver %	Montreal %
Same Type	72	69	81	71
New Type	25	29	16	26
Type of Area				
Downtown Centre				
Future	3	5	1	3
Current	5	7	1	5
Established Residential Area near Downtown				
Future	20	20	23	19
Current	27	29	23	27
Older Suburb not too Far from Downtown				
Future	26	26	35	23
Current	32	28	47	30
Newer Suburb near Metro Area Limits				
Future	39	38	27	46
Current	33	33	23	38

neighbourhood features were important, more than 60 percent of respondents identified safety in the dwelling unit and area, privacy and sufficient indoor space and outdoor space; 40 to 60 percent listed parking, sound insulation and outdoor play areas for children. Fewer than four in ten respondents identified shops and services in close proximity, the existence of a strong neighborhood feeling and opportunities for volunteer or community activities.

Housing Density and Community Amenities

Despite these initial results, many respondents favoured housing that combines increased density with more family-oriented amenities and services. (Family amenities included child care, enclosed safe park space, and easy access to children's activities.) Assuming no price difference, half of the respondents preferred a community of semi-detached and row housing with many family amenities (Option 1) to one with detached houses and few family amenities (Option 2).

Figure 1
Importance of Selected Characteristics:
Neighborhood, Activity and Housing

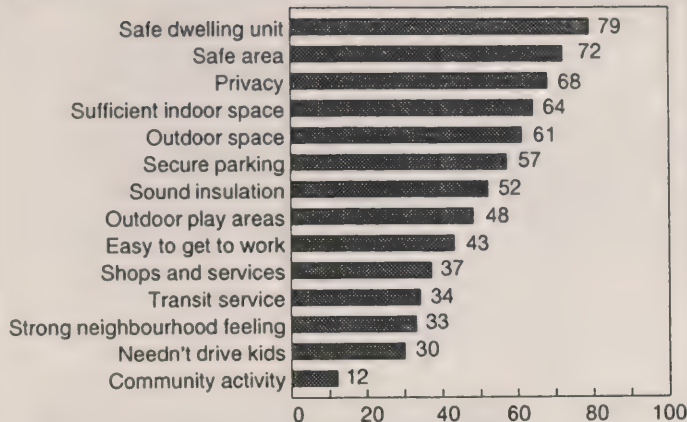
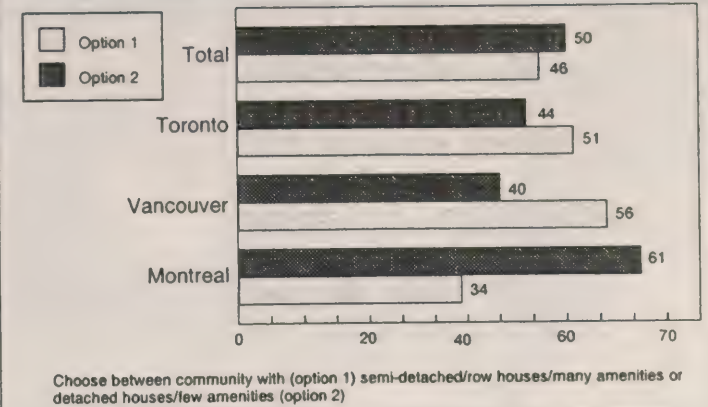


Figure 2
The Density/Amenity Trade off: Preferences



Among families who selected Option 1 (communities with higher residential densities and a variety of family amenities and services), the major factors were social, such as community spirit and play areas for children. In contrast, the major factors influencing the decision of families attracted to Option 2 were privacy and independence, the quantity of indoor and outdoor space, and the sense of peace and quiet.

According to Figure 2, Montréal respondents were more likely to choose Option 1. In Vancouver, where seven in ten families lived in detached dwellings, just under 60 percent preferred Option 2. In Toronto, forty-four percent of respondents selected higher density housing with many services and amenities, while 51 percent of respondents chose detached dwellings in communities offering few services and amenities.

**Community
Spirit And
Play Areas
Are Important
Neighbourhood
Features**

Family Characteristics

Families choosing Option 1 share common characteristics in household income, current housing situation and family structure. According to Figure 3, a majority of households earning less than \$40,000 (more than eight of every ten) preferred Option 1 (higher density housing in communities with a variety of family amenities). In contrast, more than half the households earning more than \$70,000 did not find this housing form appealing. Fewer than two of every ten chose Option 1.

The appeal of higher density housing in communities with a variety of family amenities also varied with the current dwelling type of respondents. According to Figure 4, families living in detached dwellings were least likely to be interested in this housing form. In contrast, eight out of ten families living in apartments or condominiums were very interested in Option 1. Only 21 percent of respondents living in apartments or condominiums were not attracted to this housing form.

Figure 3
Appeal of Option 1 by Household Income

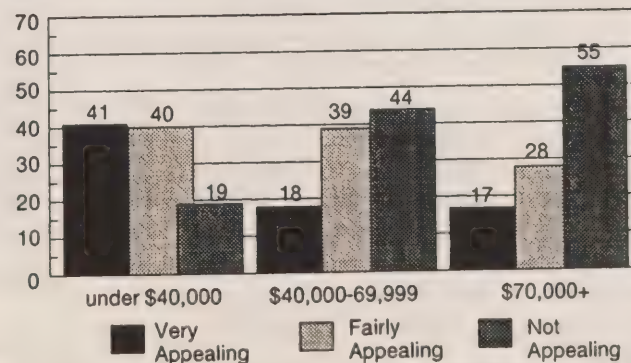


Figure 4
Appeal of Option 1 by Current Dwelling Type

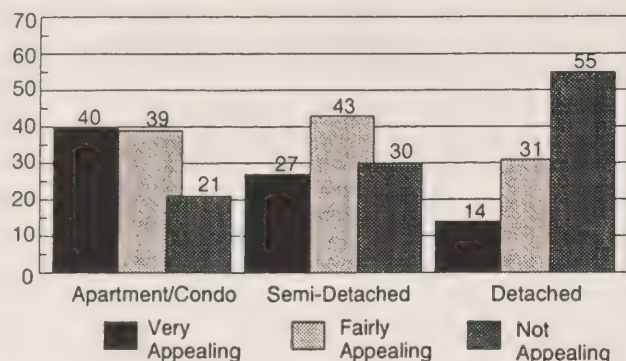
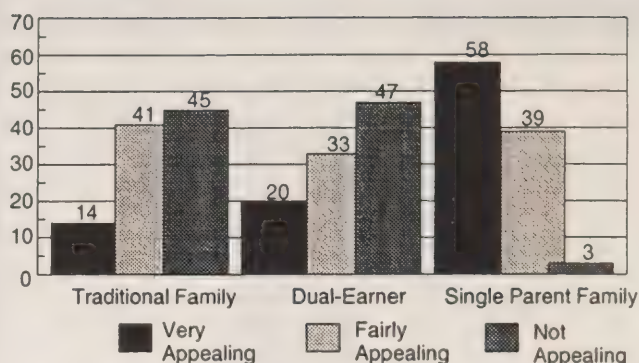


Figure 5
Appeal of Option 1 by Family Structure



Family structure was another characteristic that influenced the appeal of this housing form. Figure 5 illustrates that among the three family types, higher density housing in communities with a variety of family amenities and services received the lowest support from traditional families. Almost five in ten traditional families said this housing form was not appealing. In contrast, single-parent families (mainly led by mothers) exhibited the strongest support for Option 1. Only 3 percent of single parent families responded that this housing form held no appeal to them.

Conclusion

The housing stock must keep pace with changes to family structure and role. The so-called "traditional family" is now less prevalent than it was in previous decades. Today, dual-earner and single-parent families make up a significant proportion of Canadian households. Young families are willing to accept higher density housing if it comes with more family amenities. The challenge for the housing industry and community planning is to integrate family-oriented amenities and services into residential environments. The full report for this study presents case studies of eleven Canadian and European housing projects which have successfully combined higher density housing with a variety of family amenities and services.

This research highlight summarizes some of the findings in **Housing the New Family: Reinventing Housing for Families**. To obtain a copy of the summary or full report, call the Canadian Housing Information Centre, (613) 748-2367. For further information, contact Mr. Denys Chamberland, Manager, Centre for Future Studies, CMHC, (613) 748-2812.

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- Issue 14 Changing Canadian Households, 1971-91
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- Issue 20 Resettling Cities: Canadian Residential Intensification Initiatives
- Issue 21 Housing Need in Metropolitan Areas, 1991: Canada's Aboriginal Peoples
- Issue 22 Telework and Home-Based Employment in Canadian Communities

For more information on CMHC housing research, contact:

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(613) 748-2367

Telework and Home-Based Employment in Canadian Communities

Introduction

It is estimated that between 600,000 and two million Canadians – up to one-quarter of the working population – do some or all of their paid labour at home. While the growing trend reflected by these estimates is having a considerable impact on Canadian society, the planning and design of residential communities have not for the most part recognized it. The separation of home and work activities may be outdated for an increasing number of Canadian households, and residential planning which assumes that separation needs to be reconsidered. A study was conducted by CMHC to investigate the impact of telework and home-based employment on the use of the home and neighbourhood, and the implications for the planning and design of homes and communities.

A large
number of
Canadians
work at
home

The Centre for Future Studies in Housing and Living Environments

The objective of the Centre for Future Studies in Housing and Living Environments is to develop a broad based understanding of the issues that will affect future housing and living conditions. The research priorities for the Centre are:

- the implications for housing of changes in demographic, social, and economic factors;
- the future relationship between housing and social policy;
- changing urban and rural conditions; and
- the impact of new technologies on housing and living environments.

The Centre's work focuses on anticipating and exploring factors and trends that will affect housing and its environments over the next decade. By raising awareness of these issues, the Centre for Future Studies contributes to the development of policy at international, national, provincial and local levels.



Cette publication est aussi disponible en français sous le titre *Le télétravail et le travail à domicile dans les collectivités canadiennes*.

Home work requires new housing design solutions

Findings

Methodology

The study included a mail-out survey that obtained detailed information on home-based workers, their households, their work profile, homes and communities, transportation patterns, and use of telecommunications. The Canada-wide response rate was 31%.

Demographics

Of those surveyed, close to half (48%) described themselves as self-employed consultants or home-based business operators, and one-third (31%) described themselves as public sector, Crown corporation or private sector teleworkers. While the sample did not include supplementers (i.e., employees who bring work home on an occasional basis), 13% of the respondents described themselves as moonlighters, occasional homeworkers or "other." Finally, 8% were independent contractors who work on contract to one company. Fifty-five percent of the sample were female.

Satisfaction with Work at Home Arrangement

Generally there was a high level of satisfaction with working at home. When at-home workers had concerns, these were mainly related to their inability to disconnect work from home, and their sense of isolation. Some main reasons for starting to work from home included issues related to quality of life: convenience, flexible hours, control over work, cost considerations, and control over work environment. Other reasons were to be able to work while raising children and the inability to find a satisfactory salaried position.

Implications for the Housing Industry

Home Work Requires New Housing Design Solutions

While respondents were very satisfied overall with working at home, a large number faced some problems. Many complained of small storage and work spaces. Home workers are interested in housing design solutions which would allow them to better combine work and family activities under the same roof.

Home Work Generates Renovation Activity

The majority of respondents want or have already completed physical changes to their homes to make them more suitable for home work. Many have renovated rooms, added new lighting and electrical circuitry, or erected new walls.

Home Work Can Be an Important Factor in Decisions to Move and Buy a New Home

Few respondents have moved as a result of working at home, but a significant percentage have thought of moving because they needed more space, wanted more separation between home and work activities or because their home did not match their business image. Most would-be movers would want a larger home with a more appropriate layout and would want to move within the same city or the same neighbourhood. While some would consider moving out of the city, almost as many would want to move closer to the city centre.

Implications for Community Planning

Home Work Has Not Led to Dramatic Changes on How At-Home Workers Use Their Neighbourhoods

Home-based workers in this sample have not begun to use their neighbourhoods differently since working at home, and they have not begun to interact more with their neighbours; however, they generally feel that working at home enhances the security of their home and neighbourhood. As well, the community has become a great source of friendship and support for some home-based workers.

Home Work Creates Opportunities to Connect Homes and Neighbourhoods to Information Networks

Home and neighbourhood planning may have to consider incorporating high-tech communication capabilities as future design features. Almost all of the respondents in the survey use a computer to conduct their work at home, one-third have a FAX modem and one-quarter use electronic mail and Internet regularly. Also, one-quarter of the sample expressed interest in either working from a neighbourhood telework centre (a centre with a number of work spaces shared by a group of unrelated businesses and located in a convenient location in a neighbourhood) or a satellite office (a secondary company office located close to employees' homes).

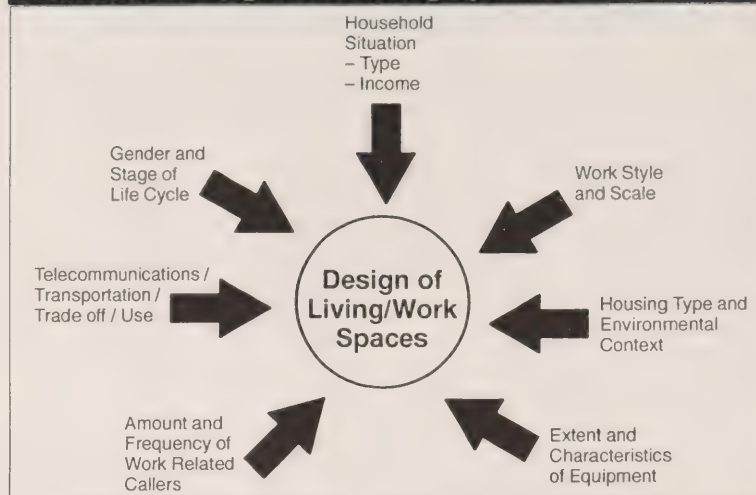
Future neighbourhoods may be marketed specifically to home-based workers. Their appeal could be based on traditional neighbourhood design combined with pre-wired broadband communication capabilities (i.e., transfer of voice, video, text and data) connecting residences, schools and businesses to an Internet site and community electronic bulletin board.

Planning and Design Considerations

As presently planned, most homes need to be adapted for home work. The research on work environments has primarily been carried out in exclusively commercial offices. Little is known about the environmental aspects of using the home as a workplace. As indicated in Figure 1, the most appropriate design solutions for particular home workers depend mainly on their work, household structure, housing situation, and financial capabilities.

Design
solutions
for home-
based
work must
consider a
variety
of criteria
to be
successful

Figure 1: Considerations in Designing Homes with Combined Living and Working Spaces



Home-based workers in this sample generally feel that the municipal regulations governing their occupations are too restrictive. These regulations do not reflect the nature of most of the work now done at home. These activities are largely non-toxic and non-hazardous, and rarely have a major negative impact on the functioning of neighbourhoods.

Conclusion

New work options, and the telecommunications technologies to support them, will allow more choices in ways of living and working, resulting in changes in how and where people live. The housing sector has just begun to assess what it might mean for more Canadians to be working from home. This survey suggests that workers are satisfied with working at home, but that modifications to their homes and communities are required to accommodate domestic and work activities.

This research highlight summarizes some of the findings in *Planning for Telework and Home-Based Employment: A Canadian Survey on Integrating Work into Residential Environments*. To obtain a free copy of the summary report or to order the main document, call the Canadian Housing Information Centre, (613) 748-2367. For further information, contact Mr. Denys Chamberland, Centre for Future Studies, CMHC, (613) 748-2812.

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Mobility Characteristics of Canadian Households

INTRODUCTION

A sound knowledge of Canadian household mobility is important for understanding the operation of the housing market and thus for the development of housing policy and programs. This examination of household mobility over time identifies any shifts in mobility behavior and hence in housing stock turnover. As well, it explores the differences in mobility related to household tenure, age, types of households and other key characteristics, which can assist in developing marketing strategies for housing and related services.

Since 1983 CMHC has sponsored questions on household mobility on the Household Facilities and Equipment (HFE) surveys which are administered as supplements to the Statistics Canada Labour Force Survey.

This report is based on answers to two CMHC questions:

- "When did [Head of Household] move into this dwelling?"
- "Did [Head of Household] own or rent his/her previous dwelling?"

The first question asks for the year when the household head moved into their current dwelling and allows for an assessment of the turnover rate amongst the housing stock. The second question is addressed to all households that reported having moved within the last five years and provides information on previous tenure and occupancy status. In this analysis, a household is considered to be a "mover" if it moved within the last five years. Taking 1989 as an example, households that moved before 1984 are classified as non-movers.

FINDINGS

Proportion of Mover Households

Nearly half of Canadian households move every five years. The data show that this rate of mobility among households remained stable throughout the 1980's.

Household by "Mover" Status						
	1983	1985	1987	1988	1989	1990
Moved	48.8	46.6	48.3	49.4	49.4	49.4
Did not move	51.2	53.4	51.7	50.6	50.6	50.6

Previous Tenure of Movers

Household heads of "mover" households either owned or rented their previous dwellings, except for the heads of newly-formed households, which did not formerly maintain dwellings of their own. About 60 percent of all movers during the 1980's reported previously having rented. This proportion has declined only marginally over time as the proportion of movers which reported having been homeowners before increased slightly. Newly-formed households constituted 9 to 10 percent of all "movers" throughout the decade.

Previous Tenure of Movers*						
	1983	1985	1987	1988	1989	1990
Owned	26.6	26.9	29.0	30.0	30.6	30.8
Rented	62.0	61.9	61.1	61.2	59.7	59.3
Did Not Maintain Own Dwelling	10.0	9.6	8.9	8.8	9.7	9.9

*Columns in 1983, 1985 and 1987 do not total to 100% since the HFE survey included a fourth choice (Don't Know).

Proportion of Households That Are Movers

	1983	1985	1987	1988	1989	1990
By Tenure Types						
Owners	33.4	30.8	33.0	34.5	35.6	35.7
Renters	75.1	73.1	74.1	74.3	73.3	73.3
By Rent Subsidy Status						
Subsidized Units	62.4	63.2	64.4	65.5	62.7	N.A.
Not Subsidized	77.0	74.5	75.9	75.9	75.2	N.A.
By Owners' Previous Tenure						
Owned	43.9	45.4	50.5	51.6	51.4	52.6
Rented	47.5	45.3	42.2	42.7	42.6	41.6
Did Not Maintain Own Dwelling	6.4	6.4	5.8	5.7	6.0	5.8
By Renters' Previous Tenure						
Owned	13.6	13.7	12.8	13.3	13.3	12.1
Rented	73.0	73.7	75.2	75.5	73.9	74.5
Did Not Maintain Own Dwelling	12.7	11.9	11.3	11.2	12.7	13.4

Mobility Characteristics by Tenure

Renters move twice as often as homeowners. While half of all households report having moved during the previous five years, only about one third of homeowners did. Owner mobility edged up marginally from 33 to 36 percent between 1983 and 1990. Renter mobility remained relatively stable during the past seven years. Unlike owners, however, close to three-quarters of all renters move every five years. When subsidized, however, they are slightly less mobile.

Owner Movers

More than half of homeowner movers have been owners before, revealing that they were not first time home buyers. This proportion has increased from 43.9% in 1983 to 52.6% in 1990. By 1990, renters becoming owners and newly-formed households constituted a much smaller percentage of owner movers than they did in the early 1980's. One factor which could explain this trend is the surge of house prices, with its potential consequences on household affordability, seen during this time in most parts of the country.

Renter Movers

Three-quarters of all renters are renters before their move. In contrast to owners, the previous tenure of mover renters has not changed much since 1983. Newly-formed households are more important among renter movers (13.4%) than homeowner movers (5.8%); most newly-formed households rent at first. Of a total of 454 000 newly-formed households in 1989, 72 percent became renters and 28 percent became owners. These proportions have not changed over time.

Proportion of Households That Are Movers

	1983	1985	1987	1988	1989
By Location					
Rural Hlds	38.2	32.5	33.5	34.8	35.5
Urban Hlds	50.9	49.4	51.2	52.2	52.1
By Client Types					
Seniors	24.7	22.4	26.2	26.1	25.5
Non-Elderly					
Singles	72.7	69.9	71.1	72.2	70.1
Families	48.8	47.2	48.4	49.7	50.8
By Family Types					
Fam. w/ Children	44.5	43.3	44.9	46.4	47.2
Fam. w/o Children	57.2	53.4	54.3	53.8	56.4
Single Parents	59.8	59.3	58.6	61.9	60.2

Mobility Characteristics by Location

Urban households move more often than their rural counterparts. This is not surprising as rural households are more often homeowners (86% compared to 59% in urban areas) and homeowners are less than half as likely to move as renters.

Mobility Characteristics among Household Types

Non-elderly singles are the most mobile: some 70 percent report moving every five years. In comparison, in 1989 only 51% of families and just 26% of seniors reported moving in the last five years. Historically, these differences in the mobility of different client groups have been stable.

Among families, single parents move most often, with more than 60% of them reporting in 1989 that they had moved during the past five years. Mobility is only slightly lower among families without children. However, families with children are considerably less mobile even though the proportion of movers among this group has increased over the past seven years.

Mobility and Income Characteristics

The disaggregation of movers by income quintile does not indicate major differences in the propensity to move. On average 51% of all households in the first three quintiles report moving every five years, as opposed to 45% in the two highest income groups. This relationship has remained stable over the past decade.

Turnover Rate

Half of the Canadian housing stock consistently turns over every five years. Moreover, about 20 percent of the housing stock turns over annually. Turnover rates are higher the larger the settlement, and as emphasized, rental units turn over at twice the rate homeowner units change hands.

This research highlight has been produced as a result of work carried out in the Research Division of Canada Mortgage and Housing Corporation. For further information, you may contact: Mr. J. Engeland, Researcher of Housing Needs Analysis at (613) 748-2799 or Josée Gagneau, Program Planning Analyst at (613) 748-2697.

Proportion of Total Housing Stock Turned Over					
Turnover Period	1983	1985	1987	1988	1989
Within 1 year	18.7	19.9	20.2	21.1	20.9
Within 2 years	28.7	29.6	31.2	31.7	31.3
Within 3 years	37.2	36.1	38.5	39.6	39.6
Within 4 years	43.7	41.9	44.0	45.3	45.3
Within 5 years	48.8	46.6	48.3	49.4	49.4

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Research & Development Highlights

Socio-economic Series

Issue 19

Housing Need in Canada's Metropolitan Areas, 1991 Part 2



Introduction

This highlight on metropolitan housing conditions explores variations in housing need by household type and tenure among 25 of the country's largest urban areas (Census Metropolitan Areas or CMAs). This is the second of a two-part series on metropolitan housing need.

The Data

As in the first issue, community-level information on housing conditions and need is based on the 1991 Census. This census provides the information required to calculate core housing need and a sample large enough to ensure data reliability across the country. The needs estimates identify housing conditions experienced by Canada's non-native privately-housed households, but not by collective households living in rooming houses or the homeless.

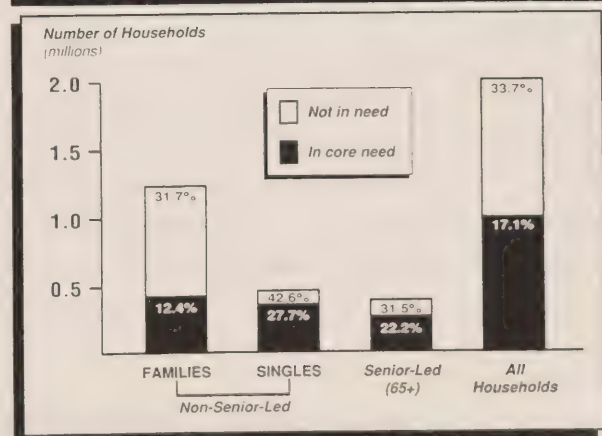
Findings

The Overall Picture

In 1991, the majority of Canada's metropolitan households enjoyed dwellings which met or exceeded today's standards for housing affordability, adequacy, and suitability. Nonetheless, almost two million lived below one or another of these standards. Of these, about one million were in core housing need (Figure 1). They could not obtain adequate, suitable rental accommodation in their market areas without having to pay 30 per cent or more of their gross household income.

Because they outnumber other types of households almost two to one, more families live below housing standards (1.18 million) and fall into core housing need (462,000) than any other household type (Figure 1). Proportionally, however, families are actually the most likely to own their housing and the least likely to live below standards or in housing need. In contrast, non-elderly singles are the most likely to rent and the most likely to live below standards (42.6%) and experience housing need (27.7%). Tables 1 and 2 show how this overall finding holds in each CMA.

Figure 1: Number and Percentage of Non-Native Households Living in Housing Below Standards, Showing Those in Core Housing Need, Metropolitan Canada, 1991



Cette publication est aussi disponible en français sous le titre *Besoins de logement dans les régions métropolitaines du Canada, 1991—Partie 2*.

Table 1: Households by Type, Tenure, and Housing Conditions, 1991

METROPOLITAN AREA	HOUSEHOLDS IN TOTAL POPULATION, AND LIVING BELOW STANDARDS (#S OF HOUSEHOLDS IN '000S SHOWING OWNER:RENTER (O:R) RATIO)							
	NON-SENIOR-LED				SENIOR-LED		ALL	
	FAMILIES		SINGLES		(65+)		HOUSEHOLDS	
	.ALL # O:R	.BELOW # O:R	.ALL # O:R	.BELOW # O:R	.ALL # O:R	.BELOW # O:R	.ALL # O:R	.BELOW # O:R
ATLANTIC CANADA								
St. John's	3 73:27	11 56:44	6 35:65	3 32:68	9 68:32	3 46:54	54 68:32	16 50:50
Halifax	75 68:32	21 51:49	21 25:75	8 22:78	18 64:36	6 41:59	114 59:41	35 42:58
Saint John	28 72:28	7 55:45	6 31:69	2 26:74	9 62:38	3 38:62	44 64:36	13 46:54
CENTRAL CANADA								
Trois-Rivières	32 67:33	8 51:49	10 24:76	4 18:82	9 48:52	31 31:69	52 55:45	16 38:62
Chicoutimi-Jonquière	39 70:30	10 57:43	7 27:73	3 23:77	9 54:46	3 37:63	55 62:38	16 47:53
Québec City	154 68:32	37 53:47	50 24:76	20 20:80	40 42:58	16 24:76	244 55:45	73 38:62
Sherbrooke	33 62:38	9 47:53	11 23:77	5 20:80	9 43:57	3 21:79	52 51:49	17 35:65
Montréal	728 60:40	236 47:53	248 19:81	110 16:84	208 40:60	89 24:76	1,184 48:52	436 34:66
Ottawa-Hull	209 66:34	55 49:51	66 27:73	25 24:76	52 57:43	14 35:65	327 57:43	95 40:60
Oshawa	57 76:24	18 66:34	10 42:58	4 41:59	13 70:30	3 41:59	80 71:29	26 58:42
Toronto	865 67:33	336 54:46	234 25:75	102 25:75	227 63:37	70 41:59	1,326 59:41	507 47:53
Hamilton	135 74:26	42 61:39	31 31:69	10 31:69	47 65:35	12 40:60	213 66:34	68 51:49
St. Catharines-Niagara	80 78:22	23 63:37	17 42:58	7 37:63	33 74:26	8 48:52	131 72:28	38 55:45
Kitchener	83 69:31	26 55:45	19 31:69	7 30:70	22 63:37	5 33:67	123 62:38	38 47:53
London	85 68:32	25 49:51	26 28:72	11 25:75	28 60:40	7 29:71	139 59:41	42 40:60
Windsor	57 77:23	16 61:39	14 38:62	5 35:65	21 70:30	5 45:55	92 70:30	27 53:47
Sudbury	36 74:26	10 59:41	7 30:70	3 28:72	10 63:37	3 41:59	54 66:34	17 50:50
Thunder Bay	27 78:22	7 63:37	7 40:60	2 38:62	11 71:29	3 51:49	44 71:29	11 55:45
WESTERN CANADA								
Winnipeg	136 76:24	39 61:39	43 35:65	18 31:69	53 61:39	15 38:62	231 65:35	72 49:51
Regina	41 79:21	9 63:37	12 38:62	4 33:67	13 66:34	2 44:56	66 69:31	16 52:48
Saskatoon	44 74:26	11 56:44	14 34:66	5 31:69	13 63:37	3 42:58	71 64:36	19 47:53
Edmonton	184 70:30	51 52:48	54 29:71	21 24:76	42 66:34	11 44:56	280 61:39	83 44:56
Calgary	173 71:29	47 55:45	54 31:69	20 28:72	34 68:32	8 38:62	261 62:38	76 46:54
Vancouver	339 68:32	109 53:47	124 27:73	59 21:79	113 66:34	34 33:67	576 59:41	202 40:60
Victoria	58 70:30	17 54:46	21 32:68	10 24:76	33 69:31	9 30:70	112 63:37	36 40:60
ALL METRO AREAS								
	3 736 68:32	1 182 53:47	1 112 26:74	473 23:77	1 076 59:41	338 34:66	5 924 58:42	1 996 43:57

Table 2: Households by Type, Tenure, and Housing Need, 1991

METROPOLITAN AREA	HOUSEHOLDS IN TOTAL POPULATION, AND IN CORE HOUSING NEED (#S OF HOUSEHOLDS IN '000S SHOWING OWNER:RENTER (O:R) RATIO)							
	NON-SENIOR-LED				SENIOR-LED		ALL	
	FAMILIES		SINGLES		(65+)		HOUSEHOLDS	
	.ALL # O:R	.IN NEED # O:R	.ALL # O:R	.IN NEED # O:R	.ALL # O:R	.IN NEED # O:R	.ALL # O:R	.IN NEED # O:R
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Québec City	154 68:32	14 26:74	50 24:76	14 11:89	40 42:58	10 17:83	244 55:45	38 18:82
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Regina	41 79:21	5 43:57	12 38:62	3 27:73	13 66:34	2 34:66	66 69:31	10 36:64
Saskatoon	44 74:26	7 39:61	14 34:66	4 25:75	13 63:37	3 35:65	71 64:36	13 34:66
Edmonton	184 70:30	20 26:74	54 29:71	14 13:87	42 66:34	6 32:68	280 61:39	40 22:78
Calgary	173 71:29	19 31:69	54 31:69	13 16:84	34 68:32	6 28:72	261 62:38	38 26:74
Vancouver	339 68:32	53 36:64	124 27:73	43 12:88	113 66:34	28 26:74	576 59:41	124 26:74
Victoria	58 70:30	7 34:66	21 32:68	7 16:84	33 69:31	6 23:77	112 63:37	20 25:75
ALL METRO AREAS								
	3,736 68:32	462 29:71	1,112 26:74	308 13:87	1,076 59:41	239 27:73	5,924 58:42	1,010 24:76

Urban Profiles

Although one in six CMA households are in core housing need, three quarters are renters, mainly non-elderly singles or senior-led households. In five of the six CMAs where need is above average (Vancouver, Victoria, Montréal, Sherbrooke, and Trois-Rivières), renters, non-elderly singles and senior-led households are over-represented among those in need. In Saskatoon, however, owners are more likely to be in core housing need than in any other CMA, and families comprise a majority of the households in need.

Housing need is worst in Vancouver (21.5 per cent), Montréal (20.3 per cent), and Saskatoon (19 per cent). Vancouver's high housing costs affect all households and lead to the highest incidence of need experienced by non-senior-led families and singles, and the third highest incidence of need among senior-led households. One in two of Vancouver's senior-led renters live in core housing need. In Montréal, it is lower incomes that contribute more to the third highest level of non-senior family need and, at almost one in three, the highest level of senior-led household need. Montréal has the highest number of households in need of any CMA, and Montréalers are more likely to be in need than are residents of any other CMA except Vancouver. Saskatoon both resembles and differs from Montréal. As in Montréal, lower incomes relative to housing costs lead to more households in need. But Saskatoon differs from other CMAs with above average need in that its households in need are dominated by non-senior-led families.

Conclusion

Three CMAs (Vancouver, Toronto and Montréal) are home to about 52 per cent of Canada's metropolitan households and 58 per cent of those in housing need. While Vancouver and Montréal households are in general more affected by housing need than households in other CMAs, data show that seniors who rent are among those most in need in all CMAs.

Produced as a result of work carried out in the Research Division of Canada Mortgage and Housing Corporation (CMHC), this highlight is the second of two issues to profile housing conditions and need for non-native households

living in 25 CMAs. An upcoming issue will examine the housing conditions of Canada's aboriginal peoples residing in these metropolitan areas.

For further information, contact Mr. J. Engeland, Researcher, Housing Needs Analysis, at (613) 748-2799.

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Research & Development Highlights

Socio-economic Series

Issue 18

Housing Need in Canada's Metropolitan Areas, 1991 Part 1

Introduction

In 1991, almost two thirds (5.9 million) of Canada's households lived in 25 Census Metropolitan Areas (CMAs). The affordability, adequacy and suitability of their housing is examined in this Research and Development Highlight, the first of a two-part series to present a comparative analysis of metropolitan housing conditions. Housing need is explored by household type and tenure in the second half of the series.

The Data

Community-level information on core housing need is based on the census, which provides the data necessary to calculate need and a sample large enough to ensure data reliability across the country. Needs estimates derived from the census identify the housing conditions of Canada's privately housed households, but not of collective households in rooming houses or the homeless. The estimates presented in this highlight are also restricted to non-native households.

Findings

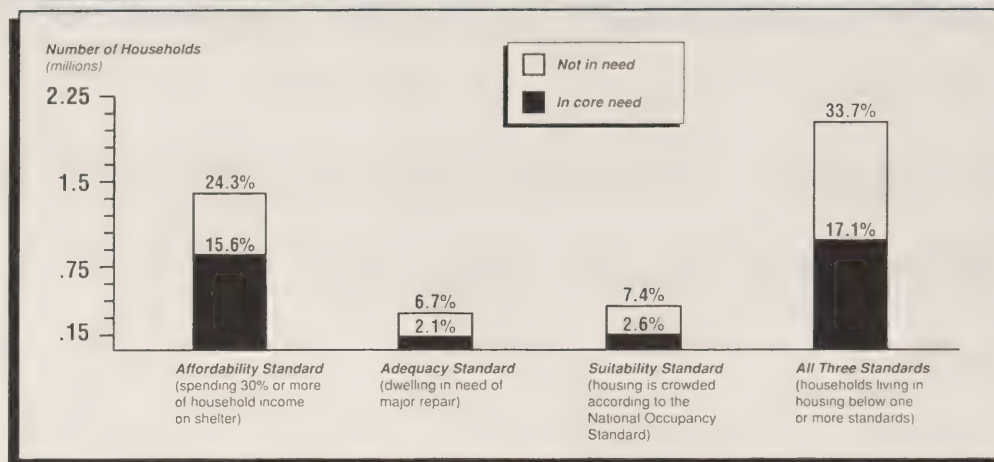
The Overall Picture

Based on our knowledge of the situation in 1991, the majority of non-native metropolitan households enjoy dwellings which meet or exceed today's standards for housing affordability, adequacy, and suitability. Nonetheless, in 1991, just under two million households lived below one or another of these standards. Of these, about one million were in core housing need (Figure 1). They did not have sufficient income to obtain adequate, suitable rental accommodation in their market areas without having to pay 30 per cent or more of their gross household income.

Cette publication est aussi disponible en français sous le titre *Besoins de logement dans les régions métropolitaines du Canada, 1991—Partie 1*.

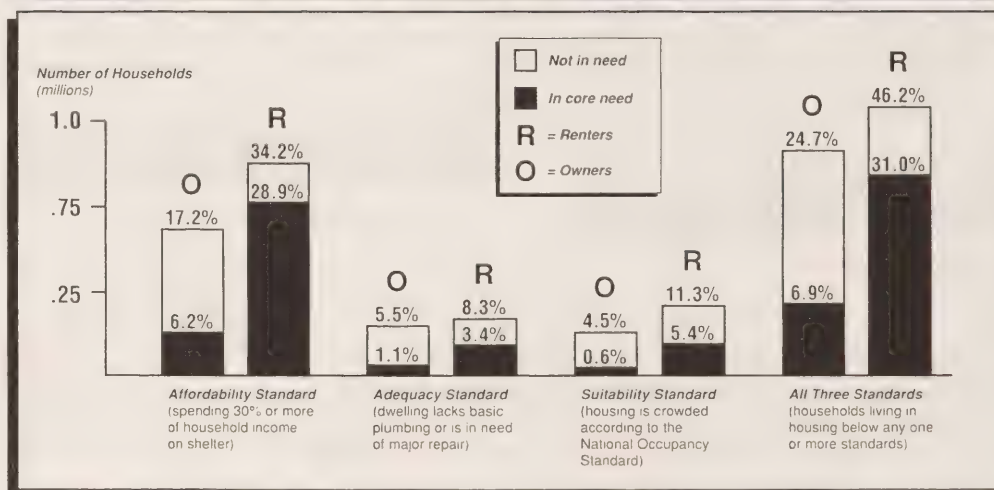


Figure 1: Number and Percentage of Non-native Households Living in Housing Below Standards, Showing Those in Core Housing Need, Metropolitan Canada 1991



The probability of being in core housing need varies greatly according to housing standard (Figure 1) and household tenure (Figure 2). Renters have typically been less able than owners to improve their own housing conditions. They are more prone to core housing need. First, they are twice as likely as owners to spend more than the norm for their housing. Second, renters living below one or more of today's housing standards (especially affordability) are almost 2.5 times more likely than owners to fall into core housing need. As a result, 31 per cent of metropolitan renters are in core housing need compared to only 7 per cent of owners.

Figure 2: Number and Percentage of Non-native Households Living in Housing Below Standards, Showing Those in Core Housing Need, Metropolitan Canada 1991



Figures 1 and 2 present an overview of housing conditions in 25 CMAs. They provide yardsticks for comparing how housing need varies from one CMA to another.

Renters
have
typically
been less
able than
owners to
improve
their own
housing
conditions.

Table 1: Households by Tenure, and Housing Standard, 1991

METROPOLITAN AREA	HOUSEHOLDS BY TENURE (^{'000s})			PERCENTAGE BELOW STANDARD											
				AFFORDABILITY			ADEQUACY			SUITABILITY			TOTAL		
	O W N E R S H I P	R E N T E R S	A L L	O W N E R S H I P	R E N T E R S	A L L	O W N E R S H I P	R E N T E R S	A L L	O W N E R S H I P	R E N T E R S	A L L	O W N E R S H I P	R E N T E R S	A L L
ATLANTIC CANADA															
St. John's	37	17	54	13.4	34.0	20.0	5.3	7.1	5.8	5.8	12.4	7.9	22.3	45.9	29.9
Halifax	67	46	114	14.0	34.0	22.2	6.5	7.6	7.0	3.3	9.0	5.7	21.8	44.1	30.9
Saint John	28	16	44	10.9	34.9	19.5	8.8	7.8	8.4	3.7	8.0	5.2	21.0	44.8	29.5
CENTRAL CANADA															
Trois-Rivières	29	23	52	13.1	36.3	23.6	8.0	6.4	7.4	2.6	4.4	3.4	21.7	42.7	31.2
Chicoutimi-Jonquière	34	21	55	12.8	31.7	20.1	7.2	6.5	7.1	3.2	6.0	4.4	21.5	39.4	28.6
Québec City	133	111	244	13.1	32.7	22.1	6.1	6.1	6.2	3.0	6.4	4.6	20.6	40.9	30.0
Sherbrooke	27	26	52	15.0	37.3	26.0	6.8	5.1	6.0	2.7	5.9	4.4	22.7	44.2	33.4
Montréal	565	619	1,184	18.8	35.3	27.4	6.3	7.9	7.2	4.4	10.4	7.6	26.5	46.2	36.9
Ottawa-Hull	186	141	327	14.6	29.7	21.2	4.6	8.1	6.1	2.8	9.1	5.5	20.4	40.5	29.1
Oshawa	56	24	80	20.9	35.4	25.2	4.6	8.8	5.9	3.4	7.9	4.7	26.7	45.7	32.3
Toronto	780	546	1,326	22.2	32.1	26.3	4.4	10.1	6.8	7.0	18.2	11.6	30.2	49.6	38.2
Hamilton	140	73	213	18.1	33.3	23.3	5.2	9.8	6.8	3.9	8.5	5.5	24.8	44.9	31.7
St. Catharines-Niagara	94	37	131	15.1	36.7	21.2	5.8	10.4	7.1	3.4	6.9	4.4	22.4	46.8	29.2
Kitchener	77	46	123	17.3	31.8	22.8	4.7	10.3	6.8	3.6	9.4	5.8	23.6	44.0	31.2
London	82	57	139	14.2	33.8	22.3	5.1	10.4	7.3	2.8	8.0	4.9	20.5	44.6	30.4
Windsor	64	28	92	12.9	35.6	19.8	5.9	9.1	6.8	5.5	9.5	6.7	22.1	46.1	29.3
Sudbury	35	19	54	13.5	33.7	20.4	8.4	10.6	9.1	4.6	7.6	5.6	23.6	44.9	30.9
Thunder Bay	31	13	44	10.1	29.4	15.8	8.4	9.9	8.8	4.1	6.8	4.9	20.4	40.1	26.2
WESTERN CANADA															
Winnipeg	150	81	231	12.9	34.8	20.6	8.2	7.5	8.0	4.4	9.4	6.2	23.1	45.6	31.0
Regina	45	20	66	12.0	29.5	17.4	5.5	6.9	5.9	3.2	6.1	4.1	18.6	37.6	24.5
Saskatoon	46	25	71	14.1	32.0	20.5	5.2	6.5	5.7	2.1	6.4	3.6	19.8	40.2	27.0
Edmonton	172	108	280	13.3	32.1	20.6	6.3	7.7	6.9	3.2	10.2	5.9	21.0	43.1	29.5
Calgary	162	99	261	15.5	32.7	22.0	4.6	6.8	5.4	3.3	8.3	5.2	21.5	41.8	29.2
Vancouver	340	236	576	17.1	40.1	26.6	4.7	7.3	5.8	4.4	11.9	7.5	24.0	51.0	35.1
Victoria	70	42	112	14.6	42.7	25.1	5.4	7.0	6.0	2.5	8.6	4.8	20.5	51.0	31.9
ALL METRO AREAS															
	<u>3,451</u>	<u>2,473</u>	<u>5,924</u>	<u>17.2</u>	<u>34.1</u>	<u>24.3</u>	<u>5.5</u>	<u>8.3</u>	<u>6.7</u>	<u>4.5</u>	<u>11.3</u>	<u>7.4</u>	<u>24.7</u>	<u>46.2</u>	<u>33.7</u>

Table 2: Households by Tenure, Showing Proportion Below Housing Standards that Experience Housing Need

METROPOLITAN AREA	HOUSEHOLDS BY TENURE ('000s)			PERCENTAGE BELOW STANDARD THAT ARE IN CORE HOUSING NEED											
				AFFORDABILITY			ADEQUACY			SUITABILITY			TOTAL		
	O W N	R E N T	A L L	O W N	R E N T	A L L	O W N	R E N T	A L L	O W N	R E N T	A L L	O W N	R E N T	A L L
ATLANTIC CANADA															
St. John's	37	17	54	49.8	91.2	72.5	32.0	52.4	40.1	14.8	51.5	33.5	35.8	75.0	55.3
Halifax	67	46	114	45.2	86.2	70.8	24.7	38.5	31.2	16.2	45.6	35.3	33.7	69.9	54.8
Saint John	28	16	44	46.7	89.7	74.4	20.9	40.4	27.6	15.4	46.6	33.0	30.3	73.0	53.6
CENTRAL CANADA															
Trois-Rivières	29	23	52	38.9	86.7	72.3	12.4	43.4	25.1	7.4	40.0	28.2	24.9	75.5	56.4
Chicoutimi-Jonquière	34	21	55	39.0	80.1	64.0	12.5	38.3	22.3	3.6	33.2	20.2	25.3	66.0	47.0
Québec City	133	111	244	37.5	83.1	68.4	11.7	37.4	24.2	6.8	36.2	26.2	25.5	69.1	52.7
Sherbrooke	27	26	52	32.7	80.4	66.5	9.9	41.5	23.7	2.1	43.8	30.1	22.2	70.4	53.8
Montréal	565	619	1,184	34.9	86.5	69.7	14.8	43.2	31.6	11.3	46.3	36.7	26.1	70.2	55.1
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Hamilton	140	73	213	29.9	79.3	54.3	17.1	35.8	26.4	9.8	39.4	25.6	23.6	62.3	42.5
St. Catharines-Niagara	94	37	131	36.9	81.9	58.8	17.1	43.2	27.8	11.2	41.7	24.8	28.0	67.5	45.8
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London	82	57	139	32.6	80.0	62.2	16.5	40.8	30.9	9.9	51.4	37.8	25.0	64.7	49.0
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Thunder Bay	31	13	44	44.9	88.0	68.5	21.4	41.3	27.5	8.3	46.6	23.7	27.6	70.3	46.7
WESTERN CANADA															
Winnipeg	150	81	231	42.6	87.9	69.4	20.5	44.5	28.4	12.6	48.6	31.8	28.3	72.5	51.0
Regina	45	20	66	57.6	98.3	78.9	33.2	60.7	42.9	17.8	60.8	37.5	43.2	85.6	63.3
Saskatoon	46	25	71	61.6	98.6	82.2	37.2	61.3	47.1	21.5	63.0	47.3	50.9	87.2	70.1
Edmonton	172	108	280	34.2	84.8	64.6	18.0	39.8	27.4	11.5	43.6	32.8	25.2	67.3	48.9
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	3,451	2,473	5,924	36.2	81.0	64.3	19.2	41.4	30.9	14.4	47.3	35.7	28.1	67.3	50.5

Urban Profiles

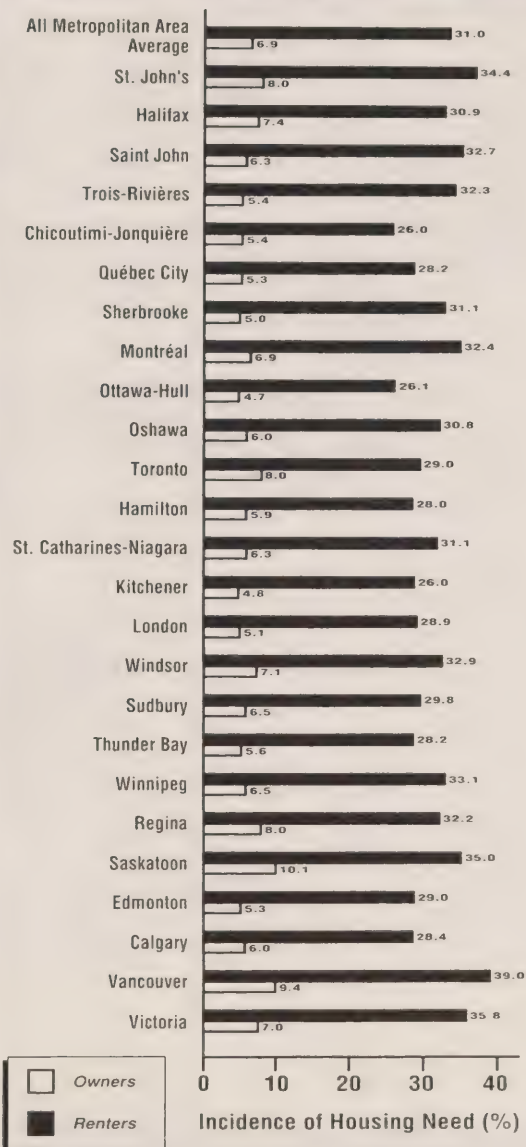
In CMAs, more households fall short of the housing affordability standard than of the other two housing standards combined. Almost 60 per cent of these households are renters. They tend to be located in Canada's highest cost CMAs. For example, in 1991, over 40 per cent of all Vancouver and Victoria renter households spent 30 per cent or more of household income for shelter, making these CMAs prone to concentrations of renter housing need (Table 1).

The next largest group of households living below housing standards lack enough bedroom accommodations, according to the National Occupancy Standard. Two thirds of these households are renters. Renters are 2.5 times more likely than owners to live in unsuitable housing. The biggest concentrations of crowded households, in both relative and absolute terms, are found in Canada's three largest centres: Toronto, Montréal, and Vancouver.

The last group report that their dwellings are in inadequate condition, needing major repairs. In contrast to those below the affordability and suitability standards, almost half these households own their homes. They are also much more likely to live in Ontario, Quebec and Atlantic Canada, where Canada's housing stock is older. Indeed, in Atlantic Canada, higher than average percentages of households live below adequacy standards, and lower than average proportions live below affordability and suitability standards.

As demonstrated by Table 2, households below the housing affordability standard are on average twice as likely to fall into core housing need as households whose housing falls short of either of the other standards. And metropolitan areas where household incomes are particularly low compared to housing costs tend to develop concentrations of households in core housing need. For example, in Saskatoon, Regina, and St. John's, almost all renters spending above the norm for their shelter are in core housing need.

Figure 3: Incidence of Non-native Core Housing Need, by Tenure, Metropolitan Areas, 1991



For example, in Saskatoon, Regina, and St. John's, almost all renters spending above the norm for their shelter are in core housing need.

Conclusion

Affordability is the dominant factor underlying housing need. Whether in very high housing-cost CMAs, like Vancouver and Victoria (Table 1), or in CMAs with particularly low household incomes relative to shelter costs, like Saskatoon (Table 2), affordability shapes the final profile of metropolitan core housing need (Figure 3).

Every metropolitan area has unique housing conditions. This highlight explores how housing affordability, adequacy and suitability vary from CMA to CMA for non-native renters and owners. A good knowledge of these conditions is essential to the development of sound housing policies.

This issue of Research and Development Highlights has been produced as a result of work carried out by the Research Division of Canada Mortgage and Housing Corporation (CMHC). It is the first issue to examine the nature of metropolitan non-native housing need in Canada in 1991. More general information on housing needs measurement concepts and tools is also available from Issue 7 of this series or from the comprehensive NHA report, *Core Housing Need in Canada*.

For further information, contact Mr. J. Engeland, Researcher, Housing Needs Analysis, at (613) 748-2799.

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Research & Development Highlights

Socio-economic Series

Issue 17

The Long-Term Housing Outlook: Preliminary Projections, 1991-2016

Introduction

Day-to-day variation in the demand for housing tends to obscure the long-run outlook. Such fluctuations reflect changes in interest rates, housing prices, consumer confidence, and other factors related to business cycles and the general health of the economy. In the long-run, however, housing demand can be traced ultimately to changes in the size, age structure, and behaviour of the population. Household growth — the major source of housing demand — occurs as the population grows and ages and as social and economic forces alter preferences for different living arrangements.

This Research and Development Highlight presents some preliminary projections of potential housing demand (household growth) for Canada in the 1991-2016 period. Results were derived from population projections recently produced by Statistics Canada. These preliminary projections illustrate how household growth would vary under different assumptions about how Canadians will house themselves over the next 25 years.

PLEASE NOTE: Projections described in this highlight are preliminary. They do not reflect recent changes to government immigration targets. Final projections for Canada and the provinces will be developed and published in 1995.

Definition of Potential Demand

Potential housing demand refers to the projected annual growth (the absolute change) in the number of households. While household growth is typically the major determinant of the requirement for new dwelling units, other factors — such as the need to replace units lost from the housing stock, additional units created within the existing stock through conversions, and allowance for a normal number of vacant units — also influence the number of new units required. As well, projections do not consider the cyclical short-run impacts of economic factors such as those described above. As such, potential demand projections should not be construed as a forecast of housing starts but as long-term projections reflecting a particular set of largely demographic assumptions.

Cette publication est aussi disponible en français sous le titre *La perspective à long terme du logement : projections préliminaires, 1991-2016*.

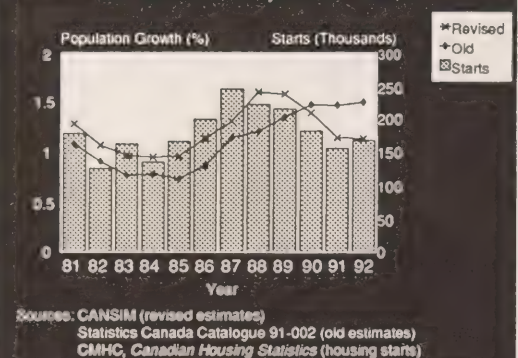
Background

CMHC published potential housing demand projections in 1991.¹ Three developments since then point to the need to update these projections. First, Canada entered and is now recovering from a prolonged recession. Second, 1991 census data describing recent housing choices of Canadians became available. Third, Statistics Canada revised its method of producing population estimates, replacing its old historical series with a substantially different set of numbers. Clearly,

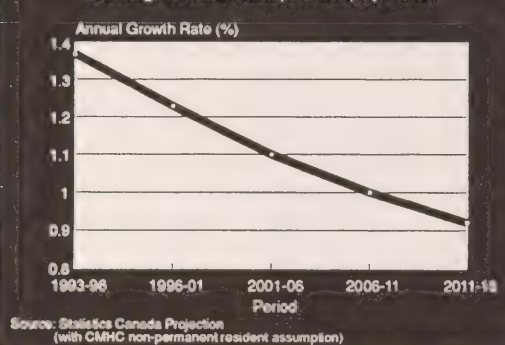
revisions to historical data can affect the outlook for population growth, since population projections use the most recent estimates as the starting point for applying fertility, mortality, and migration assumptions — assumptions that are themselves derived in large measure from historical population trends.

Unlike the old population series, the revised series incorporates adjustments to account for people missed by the census and includes estimates of the size of the population of non-permanent residents and of the number of Canadian citizens returning from residences abroad.² The effect of these additions is both to increase the estimated size of the population and to alter its rate of growth.³ Of particular interest, the revised growth figures for the 1980s and the early 1990s match the pattern of actual housing market activity more closely than the old series, with the period of peak growth roughly coinciding with the boom in housing starts in the late 1980s.

Population Growth & Housing Starts, Canada, 1981-92
Old and Revised Population Estimates



Projected Population Growth, Canada, 1993-2016
Average Annual Rate (Percent) by Period



Population Outlook

By applying fertility, mortality, and migration assumptions to the revised population estimates, Statistics Canada recently produced a new set of population projections. CMHC selected one of these scenarios as a base for generating potential housing demand projections. The principal assumptions distinguishing this base population scenario were the following:

- continuation of current fertility levels (1.7 births per woman);
- medium growth in life expectancy;
- annual immigration of 250,000.⁴

Under these assumptions, the July 1st population of Canada is projected to increase from 28.8 million in 1993 to 37.0 million in 2016. Of particular note, the projected annual rate of population growth declines throughout the projection period from an average of just under 1.4 percent in the 1993-96 period to 0.9 percent in 2011-16.

The projected
annual rate of
population
growth
declines
throughout
the projection
period.

- 1 These projections were described in a report titled *Potential Housing Demand Projections: Canada and the Provinces, 1986-2011* and in Issue 6 of Research and Development Highlights.
- 2 Non-permanent residents are composed of five groups: persons claiming refugee status; persons holding a student authorization (foreign students, visa holders); persons holding an employment authorization (foreign workers, work permit holders); persons holding a Minister's permit; non-Canadian born dependents of the above.
- 3 The 1991 census recorded a Canadian population of 27.3 million on June 4, 1991. According to revised estimates, the population on July 1, 1991 was 28.1 million.
- 4 To reflect recent trends, CMHC postponed the 1993-95 decline in the non-permanent population assumed by Statistics Canada to 1995-97.

Potential Housing Demand Assumptions

The relationship between population growth and household growth (potential housing demand) is not an exact one. Populations can house themselves in an infinite variety of ways (by grouping into an ever changing mixture of small and large households). The projections described below were produced by applying three different assumptions about the household forming behaviour (headship rates) of Canadians to the population projection discussed above.⁵

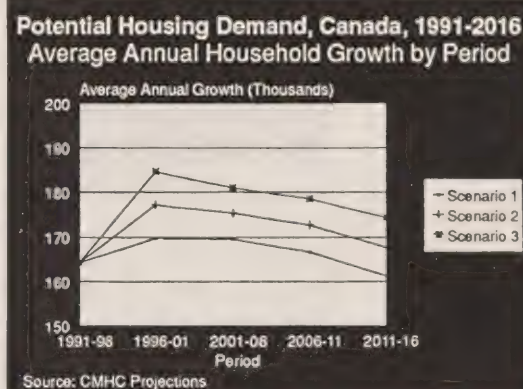
These assumptions were developed using a cohort approach, which projects the future behaviour of particular generations (cohorts) based on the actual changes exhibited by previous generations as they aged. For instance, changes in the propensity to head households of the cohort aged 35-39 would be projected through examining transitions experienced by older groups as they moved from age 35-39 to 40-44.

Potential demand scenarios were developed using cohort trends for three different periods: 1981-86, 1986-91, and 1981-91. The 1981-86 period resembled the experience of recent years in that it encompassed a recession and subsequent beginnings of recovery. Given the similarities between these two periods, the 1981-86 trend was used in all three scenarios to project household growth in 1991-96. The scenarios differ in the assumptions used for later years. At one extreme, the 1981-86 trend was maintained throughout the projection period; at the other, the more positive 1986-91 trend was applied in 1996-2016. A middle ground was obtained by using the longer-term 1981-91 trend in later years.

Summary of Household Projection Assumptions		
Scenario	Assumption in 1991-96	Assumption in Later Years
1	1981-86 cohort trend	1981-86 cohort trend
2	1981-86 cohort trend	1981-91 cohort trend
3	1981-86 cohort trend	1986-91 cohort trend

Results

All scenarios point to a rise in household formation in 1996-2001 and a gradual decline in later years as a result of the slowing population growth described above. Annual household growth in 1991-96 is projected to average around 164,000, a low level consistent with current housing market activity. Depending on the scenario, this level rises to anywhere from 170,000 to 185,000 in the 1996-2001 period. The recession-based 1981-86 trend (scenario 1) produces a much more moderate short-term increase and markedly lower potential housing demand in general than the more recent 1986-91 trend (scenario 3).



Average Annual Potential Housing Demand					
Scenario	1991-96	1996-01	2001-06	2006-11	2011-16
1	164,300	169,800	169,600	166,700	161,300
2	164,300	177,200	175,400	172,700	167,800
3	164,300	184,700	181,100	178,600	174,400

⁵ Technically, these assumptions take the form of projected headship rates (the ratio of household heads to population in each age group), which are multiplied by the projected age-group populations to produce household projections.

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Other Findings

The preliminary projections are consistent in many respects with the findings of earlier research. The following results are evident in all three preliminary scenarios.

- Average household size will continue to shrink but not as rapidly as in the past.
- The number of non-family households (people living alone or with other unrelated individuals) will increase faster than the number of family households. Thus, household composition will continue to shift in favour of non-traditional household types.
- The change in the number of households by age group (age of the household head) will be closely linked to the movement of the baby boomers from group to group as they age. The arrival of the first baby boomers in an age group will boost the number of households headed by that group. Accordingly, household growth by age group will peak at age 45-54 in 1991-2001, age 55-64 in 2001-2011, and age 65-74 in 2011-16.

Conclusions

The projections described above show considerable variation in projected household growth after 1996. Results illustrate how growth would vary given different assumptions about the behaviour of Canadians in the wake of the recent recession. Since they are all based on the same population scenario, projections do not examine the impact of different rates of population growth. Had several population scenarios been investigated, the range of projected demand would have expanded accordingly.

Work to produce final potential housing demand projections will begin late in 1994. Unlike the preliminary projections, final projections will include provincial detail as well as a national summary. Projected household growth for Canada will be the sum of projected growth in each province. The research will also include details on household composition, tenure choices, and dwelling type choices. Given the more comprehensive analysis and geographic detail, it is quite likely that final projections for Canada will differ from the preliminary results described above.

This issue of Research and Development Highlights has been produced as a result of work carried out by the Research Division of Canada Mortgage and Housing Corporation (CMHC). Any questions about the contents of this highlight may be directed to Roger Lewis, Researcher, Housing Requirements, at (613) 748-2797.

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- Issue 11** Canadian Housing Need, 1991
- Issue 12** Families, Children, and Housing Need in Canada, 1991
- Issue 13** The Housing Choices of Immigrants, 1986
- Issue 14** Changing Canadian Households, 1971-91
- Issue 15** Sustainable Residential Developments: Planning, Design and Construction Principles (Greening the "Grow Home")
- Issue 16** Low Income, Labour Force Participation and Women in Housing Need, 1991

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Research & Development Highlights

Socio-economic Series

Issue 13

The Housing Choices of Immigrants, 1986

Introduction

One out of every six people in Canada is an immigrant. In recent years, immigration to Canada has increased substantially—from less than 90,000 per year in the mid 1980s to a planned level of 250,000 in the 1992-95 period. There has also been a pronounced shift away from European immigrants towards immigrants from other regions, particularly Asia. Given an aging population and an expectation of slower population growth in the future, immigration levels are likely to remain high.

The housing demand generated by immigrants will reflect not only the actual numbers admitted to Canada but also the particular housing choices they make. This *Research and Development Highlight* presents some findings from a recent study of immigrant housing choices. How do these tendencies differ from those of the non-immigrant population? Do they evolve as the length of time lived in Canada increases? These are the questions addressed below.

The Data

Custom tabulations of 1986 census data were obtained by CMHC from Statistics Canada. According to the census definition, an immigrant is someone born outside Canada who was not a Canadian citizen at birth but who has been granted the right to live in Canada permanently. Tabulations were based on a 20% sample (one in five households).

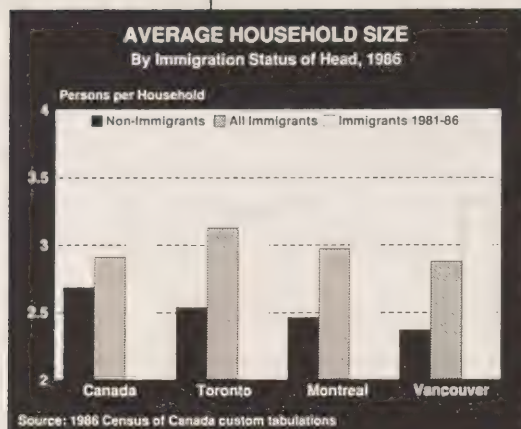
Although the study focused on Canada as a whole, separate analyses were also conducted for the three largest metropolitan areas—Toronto, Montreal and Vancouver. These three cities alone attracted two-thirds of recent immigrants to Canada.



Cette publication est aussi disponible en français sous le titre *Les choix de logement des immigrants, 1986*.

Findings

Housing Choices

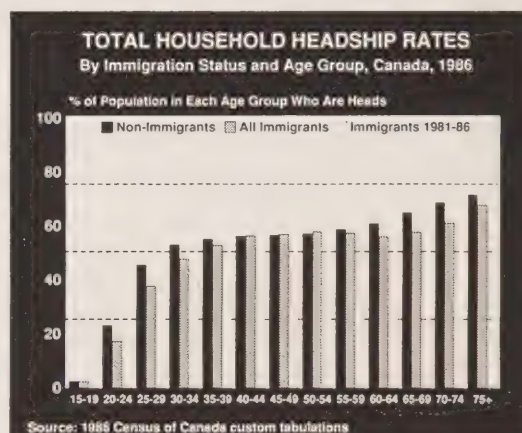


Household size

In 1986, households headed by immigrants were on average larger than those headed by non-immigrants—2.9 persons versus 2.7 persons. Households headed by recent immigrants who arrived in Canada between 1981 and 1986 were larger still—3.2 persons. Differences between immigrants and non-immigrants were even more pronounced in the three major cities. In Vancouver, households headed by recent immigrants were a full person larger than those headed by non-immigrants.

Household formation (Headship rates)

Household headship rates describe the proportion of the population heading households in each age group. These rates provide an indication of the propensity of the population to form households. Data from 1986 show that headship rates of immigrants in general and recent immigrants in particular are lower in most age groups than the rates of non-immigrants. The basic national pattern was also present in Toronto, Montreal and Vancouver. The lower headship rates for immigrants are consistent with the larger immigrant household sizes noted above.



Household composition

In 1986, a higher proportion of immigrant households than of non-immigrant households were families; moreover, among family households, a higher proportion of immigrant households were couples with children and multiple-family households. The national pattern was repeated in each of the three major urban centres. Again, these findings are consistent with the higher average size of immigrant households described above.

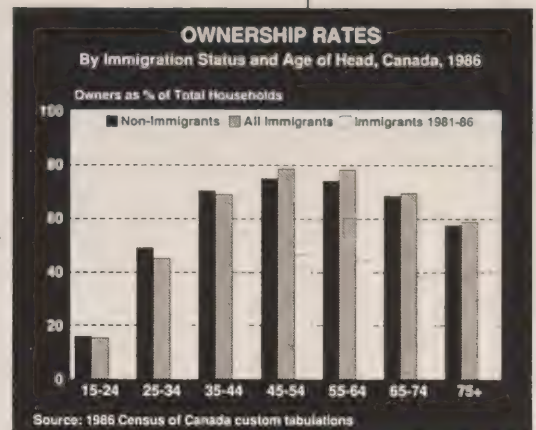
Ownership rates

In 1986, 66.5 percent of immigrant households in Canada owned their homes, compared to 61.3 percent for non-immigrants. The ownership rate for recent immigrants was much lower at 31.2 percent. Differences between immigrant and non-immigrant ownership rates were even more pronounced in Toronto, Montreal and Vancouver than in Canada as a whole.

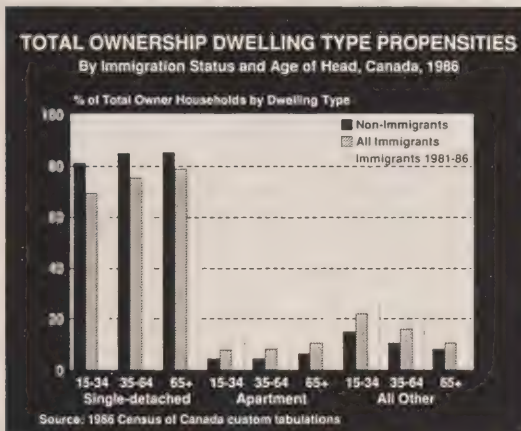


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The higher immigrant ownership rates reflected higher rates for households with heads aged 45-64. Earlier, it was noted that households headed by immigrants were more likely to be family households than were households headed by non-immigrants. This fact alone helps explain the higher ownership rates for immigrants, since family households are typically more likely to own their homes than non-family households. However, even when ownership rates for family and non-family households were examined separately, rates for middle-aged immigrants in 1986 were above those for non-immigrants.

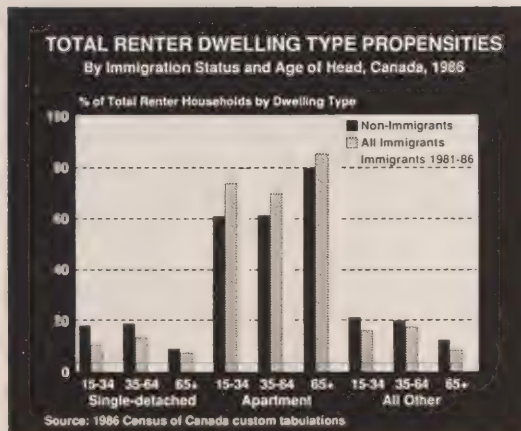


Dwelling choices



Owners

In 1986, owner households headed by immigrants were less likely to live in single-detached homes than were owner households headed by non-immigrants. Occupancy of single-detached dwellings was even lower among owner households headed by recent immigrants. The national pattern was repeated in each of the three major cities. In Montreal, occupancy of single-detached dwellings by immigrant households relative to non-immigrant households was particularly low. In contrast, differences between immigrants and non-immigrants were much less dramatic in Vancouver.



Renters

Renter households headed by immigrants were more likely to live in apartments than were non-immigrant households. The propensity was particularly strong for recent immigrants. This national pattern was also evident in Toronto and Montreal. In Vancouver, immigrant renter households were more likely than non-immigrant renter households to occupy other dwelling types, such as row, semi-detached, and duplex units.

Renter
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than non-
immigrant
households.

Evolution of Immigrant Housing Choices

As noted above, differences in immigrant and non-immigrant housing choices in 1986 were largest for recent immigrants. For example, headship and ownership rates of recent immigrants in 1986 were much lower than the averages for all immigrants. This finding implies that the housing choices of immigrants evolve the longer the time spent in Canada.

In fact, according to 1986 data on period of immigration, the headship rates of immigrants approximate those of non-immigrants after five to ten years in Canada. Immigrant ownership rates apparently take somewhat longer to match non-immigrant ownership rates—10 to 15 years. Among owner households headed by immigrants, the proportion occupying single-detached dwellings was higher the longer the length of residence in Canada (although single-detached occupancy remained below that of non-immigrants for all but those who came to Canada at very early ages). In short, differences between immigrants and non-immigrants appear to diminish as the number of years lived in Canada increases.

Conclusions concerning evolution of immigrant tendencies should be interpreted with caution since they were based on an examination of a single year of census data. As such, the analysis could not track the household formation and housing choices of the same group of immigrants over time; rather, the data describe the choices of different immigrant groups in 1986. The behaviour of recent and future immigrants may not evolve exactly as implied by these data.

This research highlight presents some of the findings from "Immigrant Housing Choices, 1986" by Clayton Research Associates for the Research Division of CMHC. For more information, you can obtain a copy of this report by contacting the Canadian Housing Information Centre at (613) 748-2367. Any questions about the contents of this highlight may be directed to Roger Lewis, Researcher, Housing Requirements, at (613) 748-2797.

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Research & Development Highlights

Socio-economic Series

Issue 12

Families, Children, and Housing Need in Canada, 1991

Introduction

In advance of our celebration of the International Year of the Family in 1994, this issue of *Research and Development Highlights* explores family housing conditions in Canada. Its special focus is on those in housing need.

All data pertain to 1991 and are derived from Statistics Canada housing cost surveys sponsored by a partnership of the provincial housing agencies with CMHC. These surveys covered over 9.5 million households — all those outside of institutions and living off-reserve in the ten provinces. One-third or 3.15 million of these households supported children under 16 years of age. In total, these families housed 5.62 million young Canadians.

Findings

Family Household Characteristics

Different socio-economic characteristics and housing conditions distinguish Canada's three basic family household groups. Two-parent family households are the most prevalent, comprising 85 per cent of all families. They have the highest incomes and allocate the smallest proportion of income to housing. On average four persons in size, two-parent households own their homes eight times out of ten. Single parents, primarily females, account for 13 per cent of family households. These families have the lowest incomes and spend the highest proportion of income on shelter. On average three persons in size, they rent seven times out of ten. Other configurations of family households make up the remaining two per cent of families with children under 16. These include, for example, single parents sharing with parents, and aunts and uncles or grandparents living with children.



Cette publication est aussi disponible en français sous le titre *Les familles, les enfants et les besoins de logement au Canada en 1991*.

Canada's Family Households Profiled, 1991

	1 Parent Households	2 Parent Households	Other Family Households	All Family Households
Numbers ('000s)				
• households	399	2,680	71	3,149
• children	638	4,872	109	5,620
Own:Rent (ratio)	31:69	80:20	58:42	73:27
Female-led	86%		60%	
Income (1990 \$)	\$25,500	\$56,700	\$46,300	\$52,500
Shelter Costs-to-Income Ratio	32.1%	18.2%	21.6%	20.1%

How Well Housed Are Our Families and Young Canadians?

Canadian families are well housed. In 1991, 68 per cent or 2.125 million family households enjoyed housing which meets or exceeds all of today's standards.

Of the rest, 54 per cent spent more than today's norm (paying 30 per cent or more of their household income for shelter), while 46 per cent occupied housing considered crowded or inadequate. However, most of these family households had the means to afford to rent dwelling units of suitable size which were in adequate condition. Only 309,000 were unable to obtain unsubsidized market rental housing meeting crowding and adequacy norms without spending 30 per cent or more of their household incomes. They were in core housing need (Figure 1). And, although they represented less than ten per cent of all family households in 1991, these households were home to some 548,000 young Canadians.

Figure 1 Proportion of family households that are in need, 1991



While almost unknown to most family households, core housing need is strikingly familiar to some. In 1991, single-parent households and their children were 11 times more susceptible to housing need than two-parent family households. Similarly, families who rent are much more prone to housing need than those who own. For every owner family in housing need, there were six renter-family households and their children. Single parents who rent are the most prone to housing need: one of every two experienced core housing need in 1991.

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Canada's Family Households in Core Housing Need, 1991

	1 Parent Households	2 Parent Households	Other Family Households	All Family Households
Numbers ('000s)				
• households				
- owners	29	52	*	90
- renters	145	69	*	219
- all	174	121	14	309
• children				
- owners	50	108	*	171
- renters	241	126	*	376
- all	291	234	23	548
Own:Rent (ratio)	17:83	43:57	*	29:71
Income (1990 \$)	\$14,000	\$16,700	\$18,600	\$15,300
Shelter Costs-to-Income Ratio	47.1%	45.3%	37.3%	46.0%

* "Other families in core housing need" is too small to present reliable estimates by tenure.

Housing Affordability and Income

Housing affordability is the predominant cause of core housing need amongst family households: 84 per cent of family households in need in 1991 spent 30 per cent or more of their incomes on housing. Only 48,000 core need families or 16 per cent lived in crowded or inadequate housing.

Behind these family housing affordability problems lie low incomes. In 1991, household income for families in core need was one-quarter of that for families not in need. And shelter expenditures consumed 2.7 times more of their household incomes than they did for families not in need.

Where do Families in Need Live?

In 1991, 71 per cent of all families in core housing need were renters even though only 27 per cent of all family households rented. The largest single concentration resided in apartments or flats in Canada's urban areas: some 120,000 renting families and their 185,000 children. Indeed, just over three in ten urban family renters living in apartments were in core housing need in 1991. These are the family households whose children are most susceptible to housing need in Canada.

The only region of the country in which family housing need was significantly lower than average was Quebec. Only eight per cent of family households and their children lived in need in Quebec, while 11 per cent or more experienced housing need conditions in the Prairies and British Columbia (Figure 2).

In 1991,
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Figure 2 Family households and children in core need by region, 1991
(all estimates in '000s, number of children in parantheses)



Conclusion

Though less than one in ten Canadian family households lives in housing need today, the number affected is still significant. According to the most recent data available, some 309,000 and their 548,000 children experience housing need. Very few of these family households live in crowded or inadequate housing. The dominant cause of housing need is affordability, and the family households most affected are renters in urban areas, especially single parents and their children.

A future issue of *Research and Development Highlights* will examine in greater detail the income and labour force characteristics of all households in housing need, including families.

This issue of *Research and Development Highlights* has been produced as a result of work carried out in the Research Division of Canada Mortgage and Housing Corporation (CMHC). It is the second issue to examine the nature of housing need in Canada in 1991. More general information on housing needs measurement concepts and tools is also available from Issue 7 of this series or from the comprehensive NHA report, "Core Housing Need in Canada."

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For further information, contact Mr. J. Engeland, Researcher, Housing Needs Analysis, at (613) 748-2799.

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Developing Quality of Life Indicators for Canadian Municipalities

Introduction

The term "quality of life" is frequently used in reference to standards of living, and particularly for specific places or cities. Many omnibus surveys attempt to assess how residents perceive quality of life (QoL) in their city, and whether this has improved or declined over time. Yet, while many communities use the term "quality of life" either in official plans or economic development strategies, few systematically track their communities' progress on this concept.

The objective of this study was to develop a framework of QoL and to assess the feasibility of measuring QoL in Canadian municipalities. Specifically, is it possible to develop a set of indicators, and is data readily available from secondary sources to provide a usable tool to Canadian municipalities?

The Centre for Future Studies in Housing and Living Environments

The objective of the Centre for Future Studies in Housing and Living Environments is to develop a broad-based understanding of the issues that will affect future housing and living conditions. The research priorities for the Centre are:

- the implications for housing of changes in demographic, social, and economic factors;
- the future relationship between housing and social policy;
- changing urban and rural conditions; and
- the impact of new technologies on housing and living environments.

The Centre's work focuses on anticipating and exploring factors and trends that will affect housing and its environment over the next decade. By raising awareness of these issues, the Centre for Future Studies contributes to the development of policy at international, national, provincial and local levels.

Few
communities
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Cette publication est aussi disponible en français sous le titre *Élaboration d'indicateurs de la qualité de la vie dans les municipalités canadiennes*.

**This model
recognizes
that
an
individual's
QoL
is mediated
by life
experience.**

Findings

Annotated Bibliography

The first task undertaken was to review existing literature on the subject of QoL. The focus was on Canadian content, although seminal works from the U.K. and the U.S. were included. A total of 54 studies were reviewed, then organized in chronological order from 1972 to 1992. This order is valuable, as it demonstrates how QoL research has developed to identify the major definitional, methodological and measurability issues that must be addressed in attempts to conceptualize QoL indicators.

Conceptual Framework of Quality of Life

This model attempts to measure QoL from an objective perspective, while recognizing that an individual's QoL is mediated by life experiences. The model begins with the economic, political and social contexts of the municipality, and includes other quantitative and objective domains such as physical environment, public services, dwelling, health, safety, crime, education and recreation. While all of these factors may provide some indication of the state of a municipality, individual or group characteristics are important in the perception of value attached to any of these specific measures. Therefore, characteristics such as income, education, class, ethnicity, religion, gender and age must be taken into consideration. All of these characteristics are aspects of an individual's life experiences, attitudes and values, expectations and aspirations. The combination of the objective and subjective results in satisfaction ratings in the eight "domains."

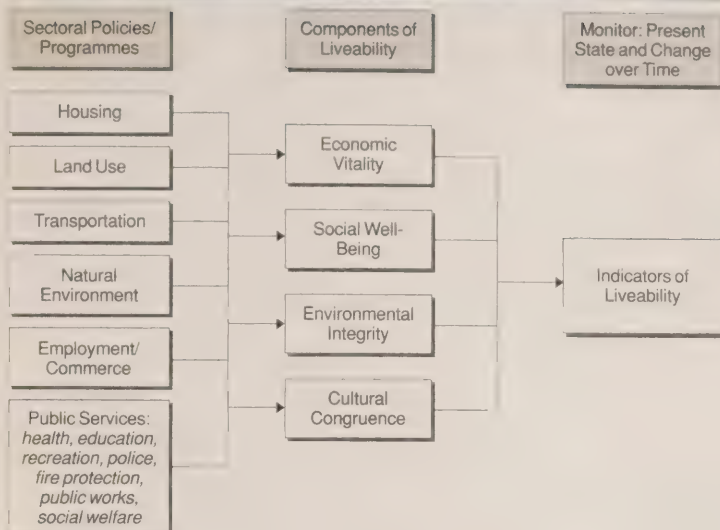
The Conceptual Framework is both comprehensive and complex. Thus it would be difficult to implement it as a policy development instrument, primarily because of the need to collect subjective measures of perceived QoL, and the associated cost.

Community-Oriented Model of the Lived Environment (COMLE)

As a more workable alternative, the COMLE was developed. The basic structure is derived from the Metropolitan Toronto Planning Department's discussion paper *Towards a Livable Metropolis*. This paper proposes an approach to planning which assures that socio-economic and environmental effects and outcomes are fundamentally related. The COMLE model looks at the way the sectoral policies and programmes interact. The list of policies and programmes are typical of what one would find in any city, either as separate departments or within the general realm of municipal government. This model incorporates all of the concepts included in the eight domains of the Conceptual Framework, but groups them in accordance with typical municipal structure, rather than at the conceptual level.

The liveable metropolis is defined by three interrelated components: economic vitality, social well-being, and environmental integrity. The model recognizes that cultural congruence, defined as the degree to which things match societal norms and expectations, moderates the effects of the other three components. These four items are identified in the model as Components of Liveability.

Figure 1: A Community-Oriented Model of the Lived Environment



The third segment of the model, identified in the right-hand column of Figure 1, involves the identification of indicators and specific measures of the components of liveability for each of the sectoral policies and programmes. Within the body of the report, a series of tables present those indicators and measures required to operationalize this model. In the tables, details for each sector (i.e., housing, transportation, land use, etc.) are described under the three headings of Components of Liveability, Indicators of Liveability, and Specific Measures. A listing of data sources for the indicators is included. For example, Figure 2 presents the indicators and measures for housing. For each of the three components, indicators as well as specific measures are identified. Indicators and measures are similarly recommended for each of the six sectors.

Figure 2: Housing: Indicators and Specific Measures

COMPONENT	INDICATORS	SPECIFIC MEASURES
Economic Vitality	Employment	Housing units built per annum Value of building permits
Social Well-Being	Affordability	Percentage of tenants whose gross rent exceeds 30% of current income. Percentage of owner occupants whose housing expenditures exceed 30% of income Average price of serviced residential lots
	Suitability	Average number of persons per room
	Adequacy	Percentage of dwellings in need of major repair
	Accessibility	Waiting time for those in need
Environmental Integrity	Density and Design	Population density Density gradient Average lot size

**Socio-
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and
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related.**

While this alternative model attempts a holistic approach in explicitly linking economic vitality, social well-being, environmental integrity, and cultural congruence, it does represent a compromise on the preferred conceptual framework. In providing a pragmatic framework that municipalities can implement, it recognizes that the cost of qualitative surveys of subjective indicators and resident perception may be prohibitive. In this sense, the COMLE provides a baseline which can and should be augmented by qualitative surveys.

CONCLUSION

Overall, the ability to quantify QoL remains somewhat elusive. This model, by being holistic, attempts to capture the subjective nature of this concept while also utilizing existing data sources which will enhance the operationalization of the model. While the focus of this study was the development of a practical tool for evaluation of QoL, the next step will be to test it.

This research highlight summarizes some of the findings in *Modelling Quality of Life Indicators in Canada: A Feasibility Analysis*, a study completed by The Institute for Social Research at York University for the Centre for Future Studies in Housing and Living Environments of Canada Mortgage and Housing Corporation. For further information, contact:

Mr. S. Pomeroy, Manager, Centre for Future Studies in Housing and Living Environments, (613) 748-2812, or Ms. J. Stacey or Mr. D. Leong, Policy Analysts, (613) 748-2895.

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Research & Development Highlights

Socio-economic Series

Issue 9

A Socio-Demographic Profile of Canadians Experiencing Health or Activity Limitations

Introduction

during the past decade or so, both in Canada and abroad, much concern has been expressed about persons who have health and activity limitations. Many initiatives were undertaken to improve their social and economic living situations.

In 1980, a special Parliamentary Committee on the Disabled and the Handicapped in Canada was established. This committee published its first report, *Obstacles*, in 1981 — the International Year of Disabled Persons. In 1983, the United Nations Decade of Disabled Persons began. In Canada, the Prime Minister, on behalf of the federal government, announced the participation of this country in the Decade of Disabled Persons in December 1985. The Canadian Declaration of the Decade of Disabled Persons, signed by the Prime Minister, established the principles which direct and guide the Canadian government in improving the living conditions of disabled Canadians.

CMHC completed a study of the socio-demographic profile of Canadians experiencing health or activity limitations (i.e., disabled persons). This study provides information on the nature and degree of individuals' disabilities and relates this information to various household characteristics, including the housing situation of disabled persons.

The different types of disabilities discussed involve mobility, agility, seeing, hearing, speaking, and other areas of limitation (i.e., learning, emotional, and developmental handicaps). All persons of all ages experiencing any of these limitations, living in households or institutions, are included in the analysis.

The study uses data from the 1986-87 Health and Activity Limitations Survey, (HALS) and the 1986 Census of Canada. The analysis of the data from HALS and the Census involved the preparation of various charts and frequency tabulations and cross-tabulations of socio-demographic variables on individuals and households.

All persons of
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the analysis.

Cette publication est aussi disponible en français sous le titre *Profil socio-démographique des Canadiens ayant un problème de santé et de limitation de leurs activités*.

**Although the
distribution of
disability in
Canada closely
mirrors the
population
distribution
across the
country, the
province of
Nova Scotia
has the
highest
disability rate
— 17%.**

Findings

Disabled Individuals

- The total number of individuals experiencing health or activity limitations in Canada is 3.3 million persons. This represents about 13 per cent of the total population of Canada.
- There are 1.7 million female disabled persons in Canada and 1.6 million male disabled. This difference is probably mainly attributable to the higher life expectancy of females.
- As may be expected, disability rates increase with age. Five per cent of all children (less than 15 years old) are reported to have some disability. On the other hand, 46 per cent of all seniors (65 years or older) have some health or activity limitation. The overall Canadian disability rate is 13 per cent.

Geographic Distribution

- Reflecting largely the geographic distribution of the Canadian population, the greatest concentration of disabled persons (adults and children) is in the province of Ontario, with 1.263 million disabled persons. This represents approximately 38 per cent of all disabled persons in Canada. Quebec has about 22 per cent (or 728 thousand persons) and British Columbia 12 per cent (395 thousand persons) of all disabled Canadians.
- The disability rate is highest in Nova Scotia, at 17 per cent of the provincial population. All the other provinces have disability rates which are within 2 percentage points of the national average (which is 13 per cent).
- About 23 per cent of the adult disabled live in rural areas and 77 per cent live in urban areas. This is consistent with the urban-rural distribution of the overall Canadian population.

Type and Severity of Disability

- There are more persons with multiple disabilities than there are with single disabilities — 1.867 million (or 61 per cent) compared to 1.172 million (39 per cent). This high proportion of "multiples" is largely due to the overlap between "mobility" and "agility" types of disabilities.
- Disabled persons with "mobility" and "agility" limitations are the largest groups of disabled persons. Sixty-five per cent of the disabled adults living in households and institutions are mobility-disabled, and 58 per cent are agility-disabled. In contrast, only 8 per cent are speaking-disabled, 18 per cent are seeing-disabled, and 32 per cent are hearing-disabled.
- Only 19 per cent of the disabled are severely limited in health or activity, whereas 35 per cent are moderately limited and 46 per cent are mildly limited.

Institutions

- There are significantly more disabled persons living in households (some 92 per cent of all disabled) than in institutions (8 per cent).
- Of the population living in institutions, the large majority (79 per cent) are senior citizens. Only 1 per cent of those living in institutions are children and 20 per cent are adults aged 15 to 64 years.
- Females account for 65 per cent of disabled persons residing in institutions. Eighty-seven per cent of disabled females in institutions are 65 years or older. In comparison, 65 per cent of disabled males in institutions are 65 years or older.

Household Comparisons

- About 57 per cent of disabled persons living in households are aged between 15 and 64 years. Only 9 per cent are children, and 34 per cent are 65 years or older.
- Households with disabled persons account for 40 per cent of all senior-led households. In comparison, households with disabled persons account for 17 per cent of all non-senior-led households.
- Of all disabled adults, widowed females represent the largest group (by marital status) of those with **severe** disabilities. About 12 per cent of widowed females are severely disabled.
- Consistent with the previous points about widowed females, of all household-size groups, disabled adults who are single have the highest disability rate, 27 per cent. The next highest (20 per cent) is represented by households with only two members. This is primarily because the largest group of disabled, the elderly, account for the greatest proportion of the one- and two-person households.

Labour Force Status and Income

- The majority of disabled adults are either not in the labour force or are senior citizens. Together, these two groups account for 70 per cent of disabled adults.
- A larger proportion of households with disabled persons are in the lower income ranges, as compared to households with no disabled persons. Households in the under \$20,000 income categories (as of 1986) with disabled persons represent 46 per cent of all households with disabled persons. In contrast, 30 per cent of households with no disabled persons have incomes below \$20,000.
- Overall, 24 per cent of households earning at or below the low-income cut-off line have persons with disabilities. In comparison, 13 per cent of those earning above the line have persons with disabilities.

**The economic
impact of
disability is
clearly
illustrated by
the statistics:
almost half of
disabled
persons had
household
earnings of
less than
\$20,000.**

Housing Situation

- There does not appear to be much variation in the incidence of households with disabled persons across types of tenure. Households with disabled persons make up about 21 per cent of all the households who own their dwellings, and 20 per cent of all households who rent.
- Of all adults living in single-detached houses, 13 per cent are disabled. Of those living in apartment buildings of five stories or more, 22 per cent are disabled. This latter group also has a larger proportion of severely disabled — 5.3 per cent of all those living in apartment buildings of five stories or more are severely disabled.
- There is a slightly greater likelihood that a disabled person will live in an older housing unit, compared to non-disabled persons. Seventeen per cent of all dwellings aged 45 years or more are occupied by disabled persons. In contrast, 10.5 per cent of dwellings aged less than 10 years are occupied by disabled persons.
- Four per cent of the disabled indicate they **use** special features (such as ramps, widened doorways, elevators or lift devices) to leave or enter their place of residence, and another 2 per cent indicate that they **need** such features but do not have them. Seven per cent use special features **inside** their residence, and another 3 per cent report that they need such features but do not have them.

Affordability

- According to the 1986 Census, more than half of owner households with disabled persons earned less than \$30,000. In comparison, about a third of owner households with no disabled persons had incomes below \$30,000.
- Over 80 per cent of renter households with disabled persons earned less than \$30,000, compared to 68 per cent of renter households with no disabled persons.

- Non-senior-led households with disabled persons are over-represented in the 30 per cent or more shelter-to-income ratio groups. About 25 per cent of such households have shelter-to-income ratios in excess of 30 per cent. In contrast, slightly fewer than 20 per cent of non-senior-led households with no disabled persons spend more than 30 per cent of their income on shelter.

This research highlight summarizes some of the findings in *A Socio-Demographic Profile of Canadians Experiencing Health or Activity Limitations*, a study completed by **Teega Research Consultants Inc.** for the Research Division of CMHC. You can obtain a copy of this report by contacting the Canadian Housing Information Centre at (613) 748-2367. Any questions on the contents of this highlight may be directed to Mr. Denis Myette of the Research Division at (613) 748-2983.

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Research & Development Highlights

Socio-economic Series

Issue 8

Concentration of wealth through ownership

Introduction

Almost two thirds of Canadians live in their own home. They, like many others with the same aspirations, see owning their home as a way of improving their financial situation in the long run. Inflation in property prices and the capital gains tax exemption for principal residences can help increase the wealth generated by ownership.

Are home owners much wealthier than renters? Has the concentration of wealth in the hands of the property owners increased in recent years? This issue contains the findings of a study on these questions by CMHC.

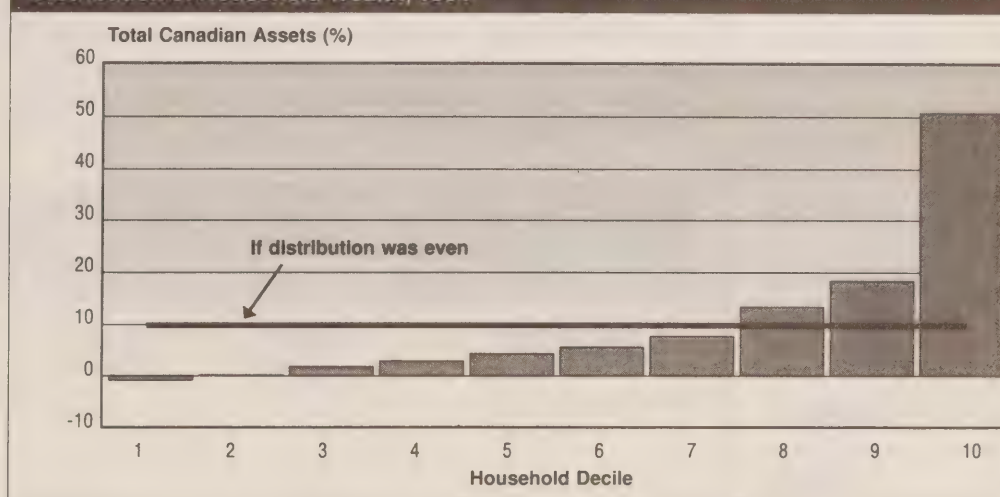
The answers to these questions are based on data from the Survey of Consumer Finances conducted by Statistics Canada. The most recent survey was carried out in 1984.

For our purposes, wealth is measured as the difference between assets and debt, also called "net worth." Assets include liquid goods such as cash, savings and bonds; less liquid financial assets; the resale value of cars; and the value of real estate and commercial, agricultural or other goods. Personal debts and mortgages, as well as debts on commercial and farm property, are subtracted from the total value of the assets to determine "net worth."

Are home
owners
much
wealthier
than
renters?



Figure 1
Distribution of Household Wealth, 1984



Cette publication est aussi disponible en français sous le titre *Polarisation de la richesse par la propriété*.

**Forty per cent
of households
alone control
89 per cent
of total
net worth.
Almost all
of these
households
(93 per cent)
own their own
residence.**

Findings

Distribution of Wealth

Wealth is not evenly distributed among Canadians. More than one half of the country's total wealth is controlled by 10 per cent of households (last decile on the chart). Forty per cent of households alone control 89 per cent of total net worth. Almost all of these households (93 per cent) own their own residence.

On average, owners are seven times wealthier than renters. The average net worth of owners was \$121,197 in 1984, compared to \$16,440 for renters.

Property Assets Compared to Total Wealth

A major portion of the owners' wealth is traced to their residence. In fact, the capital tied up in residences, minus the outstanding mortgage, accounts for 68 per cent of total net worth. The importance of net property values is highest in Ontario, at 75 per cent. It is the only region where the percentage increased since 1977. Everywhere else, the importance of net property values declined between 1977 and 1984.

**Table 1
Net Property Values as a Percentage of Total Worth**

	1977	1984
CANADA	71	68
Atlantic Provinces	83	72
Quebec	68	63
Ontario	73	75
Prairies	63	61
British Columbia	75	64

Profile of Owners and Renters

Apart from wealth, certain socio-economic characteristics such as age, income and education distinguish owners from renters and, to a certain extent, determine the degree of wealth. On average, owners are older and earn more than three times the income of renters.

**Table 2
1984 Profile**

	Owner	Renter
Average income	\$66,150	\$19,740
Average age	49 years	42 years

In general, owners are not more educated than renters. However, owners with outstanding mortgages are more likely to have reached the post-secondary level than renters.

Table 3
Level of Education in 1984

	Renters (%)	Owners (%)	Owners with mortgages (%)	Owners without mortgages (%)
Primary	22	26	13	39
Secondary	44	41	44	39
Post-Secondary	33	33	42	22

Differences in Wealth between Owners and Renters

The gap in wealth between owners and renters did not widen between 1977 and 1984. It remained at approximately 104 000 constant dollars. The concentration of wealth did not, therefore, increase during this period. Given a lack of data, we were unable to examine more recent periods.

The most reasonable explanation for the stable gap is the modest impact of inflation on property prices during this period. In fact, the price of new housing across the country increased by 22 per cent between 1977 and 1984, while the general consumer price index rose by 80 per cent over the same period. Property was therefore not a wealth-generating asset.

Regional Variations

The gap in wealth between owners and renters even decreased in Ontario (by approximately 1 per cent) and in the Prairie provinces (by 9 per cent). However, the gap widened considerably in Quebec (19 per cent) and in the Atlantic region (20 per cent), and slightly in British Columbia (3 per cent). The increasing concentration of wealth in the hands of owners in the Atlantic provinces and Quebec is not due, however, to an increase in the net value of their properties. The importance of net property values decreased in both regions between 1977 and 1984, as Table 1 shows.

Table 4
Gap in Wealth between Owners and Renters
(in thousands of constant dollars)

Region	1977	1984
CANADA	104.0	104.8
Atlantic provinces	53.9	64.8
Quebec	70.5	83.9
Ontario	111.8	110.4
Prairies	140.3	127.5
British Columbia	122.5	126.6

Between 1977

and 1984,

property was

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generating

asset.

The gap in

wealth

between

owners and

renters

remained at

approximately

104 000

constant

dollars.

Table 5
Gap in Wealth between Owners and Renters (in thousands of constant dollars)

Region	Urban pop. > 100,000		Urban pop. < 100,000		Rural	
	1977	1984	1977	1984	1977	1984
CANADA	108.7	113.0	81.3	83.0	116.2	104.8
Atlantic	81.7	87.2	47.7	64.2	51.8	57.9
Quebec	80.1	90.3	66.7	77.4	64.5	80.4
Ontario	108.1	119.9	90.6	76.9	161.7	118.9
Prairies	117.1	100.8	105.9	101.4	213.2	181.9
British Columbia	145.7	147.6	78.5	103.0	113.0	87.0

Difference by Zone

The gap in wealth narrowed in rural areas between 1977 and 1984. In the most densely populated areas, however, the differences generally grew sharper, although the Prairie region is an exception.

Conclusions

Wealth is concentrated in the hands of Canadian property owners. However, ownership is no guarantee of wealth accumulation. Between 1977 and 1984, owners' wealth did not appreciably increase because of property assets.

Renters, however, are more vulnerable to economic conditions than owners. In general, renters are younger, their incomes are lower and they are less wealthy than owners. They also have less education than owners with outstanding mortgages.

These findings were compiled from work by the Research Division of Canada Mortgage and Housing Corporation. Any questions concerning the content of this issue can be addressed to Marie-Hélène Pastor, Researcher, Economic Analysis, (613) 748-2314.

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- Issue 1** Mobility Characteristics of Canadian Households
- Issue 2** Condition of Canada's Housing Stock
- Issue 3** Accessory Apartments: Characteristics, Issues and Opportunities
- Issue 4** The Value of Canada's Homeownership Housing Stock
- Issue 5** Canadians and Their Housing: Income, Tenure and Expenditure Shifts
- Issue 6** Potential Housing Demand Projections
- Issue 7** A Comparison of Housing Needs Measures Used in Canada, the United States and England



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Research & Development Highlights

Socio-economic Series

Issue 7

A Comparison of Housing Needs Measures Used in Canada, The United States and England

Introduction

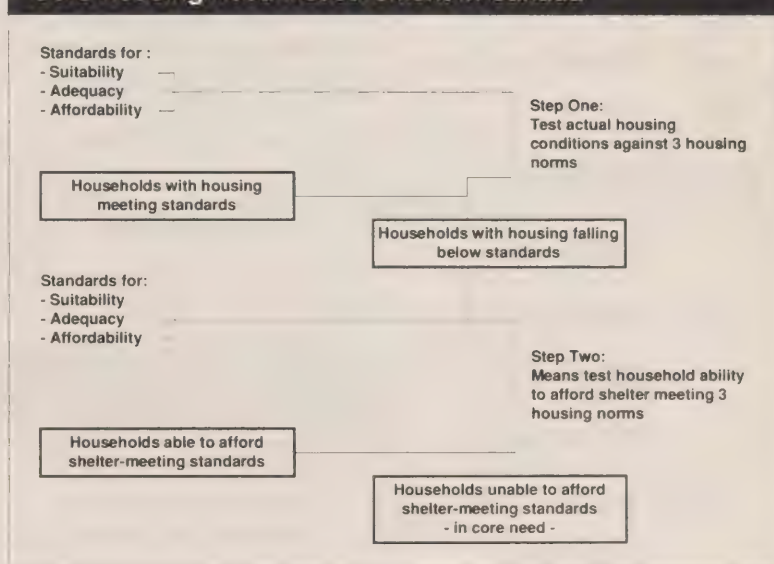
governments of countries that assist households in housing need require mechanisms to ensure that available assistance is equitably distributed. Different countries have developed unique methods of assessing housing need for the purpose of distributing social housing assistance. In this issue of Research and Development Highlights, these methods are outlined, first for Canada, then for the United States and England. Information for this issue was obtained from the U.S. Department of Housing and Urban Development and the Department of the Environment in the United Kingdom.

Findings

Canada

The distribution of federal social housing budgets across Canada is based on housing need. Households whose housing does not meet one or more norm dwelling standards (suitability, adequacy and affordability), and whose income is such that they are unable to obtain housing that meets such standards are considered to be in core housing need (Figure 1).

Figure 1
Core Housing Need Measurement in Canada



Cette publication est aussi disponible en français sous le titre *Comparaison des mesures utilisées au Canada, aux États-Unis et en Angleterre pour déterminer les besoins de logement*.

The Canadian approach is based solely on a household's housing conditions in relation to its income, the U.S. method is based as much on general factors as it is on specific housing conditions.

The main social housing budget is then allocated across the ten provinces and two territories, based primarily on the distribution of households in core housing need. Consideration is also given to the differential cost of providing assistance. By allocating on the basis of need, the objective of the allocation process is to provide for equality of access. However, affirmative action policy is taken into account with respect to the native population by specifying delivery targets within each province or territory.

The housing norms of the core housing need model have evolved to reflect today's societal housing expectations. The three housing norms of the core housing need model can be described as follows:

- The **suitability norm** is based on the National Occupancy Standard (NOS), which sets a specific number of bedrooms for each household based on its size and composition. For example, a three person household composed of a couple and one child requires a two bedroom dwelling. A household is deemed to be living in crowded accommodation if its dwelling has fewer bedrooms than prescribed by the NOS.
- The **adequacy norm** states that a dwelling unit must possess all basic plumbing facilities and requires only regular upkeep or minor repairs. A dwelling is deemed to be inadequate if it needs major repair or lacks hot and cold running water, an inside toilet, or a bath or shower.
- Finally, the **affordability norm** states that a household should not be required to spend 30 per cent or more of its income to acquire shelter that is suitable and adequate.

United States

The United States uses a method different from Canada's to measure housing need and to distribute housing assistance to renters. Instead of using a single integrated indicator for measuring the overall housing need of individual households, as does Canada, the United States draws upon a number of independent indicators.

A **fair share** formula averages the indicators into a composite measure that makes it possible to allocate housing assistance across about 250 allocation areas. In the formula, weights are used to assign a relative level of importance to each indicator and the housing assistance budget is allocated on that basis. These indicators, together with their attendant weights, are shown in Figure 2. While this is the main formula used, similar formulas are used for smaller housing programs.

Figure 2
United States Fair Share Formula, 1986-92

Indicator	Share
1. Renter Households	20%
2. Poor Renter Households (below official poverty level)	20%
3. Crowded Renter Households (over one person per room)	10%
4. a. Extra Vacant Units Needed, if any, to raise local rental vacancy rate to national average	5%
b. Extra Vacant Units Needed, if any, to raise local long-term rental vacancy rate to national average	5%
5. Poor Renter Households in homes built before 1940 (measure for substandard housing)	20%
6. Renter Households below national median income, with gross rent over 30% of income	20%

The determination of housing need under the fair share formula differs in three key ways from the core need approach used in Canada:

1. Where the Canadian approach is based solely on a household's housing conditions in relation to its income, the U.S. method is based as much on general factors as it is on specific housing conditions. These include the distribution of all renter as well as low income households, and the level of rental housing vacancies.
2. Canadian housing need is estimated from a single measure based completely on an assessment of each household's housing situation. U.S. housing need is estimated by assigning weights to apportion relative importance to a set of aggregate factors. All six measures in the U.S. formula are highly correlated so that the exact choice of weights does not profoundly affect the overall result.
3. Simply having a low income is of considerable importance in the U.S. formula. Under the Canadian core need approach, low income is not considered a sufficient condition on its own: households must first be identified as living below norm housing standards, and only then are they income-tested for core housing need. Regional variations in housing costs play a greater role in the Canadian core housing need model.

As in Canada, once the U.S. fair share formula identifies each area's proportion of total U.S. need, it is combined with cost considerations to determine the final allocation of funds.

England

Employing a method similar to that of the United States, the Government of the United Kingdom uses two composite indicators to assess housing need in England, the Housing Needs Indicator (HNI) and the Generalised Needs Indicator (GNI). While similar in composition, the HNI applies to housing associations (third sector groups) and the GNI to local housing authorities. Several individual indicators or elements are combined according to sets of weights to yield these composite indicators of housing need. In contrast to the U.S. and Canadian approaches, the English HNI and GNI include elements that represent a number of special groups in the population. These groups include the homeless, the elderly and the disabled, although the U.S. indicator

also includes poor renter households as a special needs group. Some important features of the English housing needs indicators are:

- In the HNI, the indicators taken together, are intended to provide an overall measure of the need for the provision of new units. In this context, the provision of new units refers to increasing the supply of units available to low income households and those with special needs.
- About three quarters of the HNI is weighted by these indicators of the need for new provision. These include indicators representing special groups (homeless, disabled and elderly), which account for about one third of the overall HNI.
- The lone indicator of physical house condition accounts for about one quarter of the HNI.
- Income plays a less important role in these composite needs indicators than in the Canadian core need model or the U.S. fair share formula. It is taken into account only indirectly through indicators for the elderly and access to owner-occupation in both the HNI and GNI and in the private sector stock condition indicator in the GNI.

Figure 3
Composition of England's Housing Needs Indicator (HNI), 1991-92

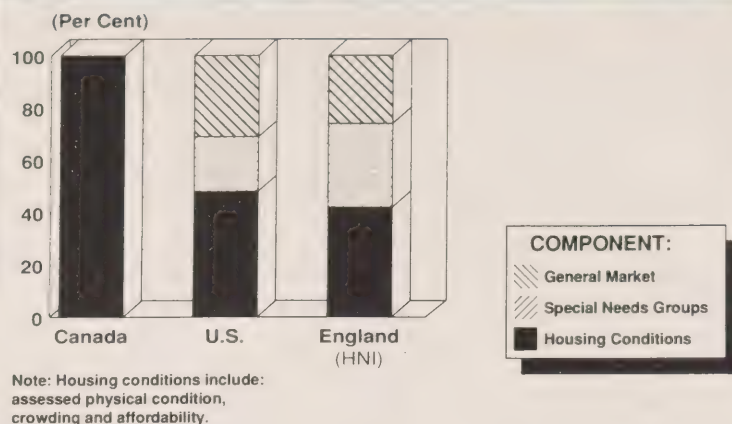
Indicator	Share
1. Private Sector Stock Condition	27%
2. "Concealed" and Sharing Households	8%
3. Household-Dwelling Balance	8%
4. Overcrowded Households	17%
5. Homeless Households	14%
6. Disabled Population	4%
7. Elderly Households	14%
8. Access to Owner-Occupation	4%
9. Households in Temporary Accommodation	4%

NOTE: The GNI is also composed of all of these elements (with smaller shares), as well as Local Authority Stock Condition (50%) and Defective Dwellings (3%). The GNI measure of Private Sector Stock Condition, with a share of 17% (compared to 27% for the HNI), is measured more broadly and includes provision for ability-to-pay.

The results provide an indication of the relative levels of housing need in each of nine regions. They are then adjusted for:

- Regional variations in cost and program mix to determine the allocation of housing assistance.
- Special treatment of **stress areas**, that is, areas of multiple deprivation (social, economic and environmental) that may justify increased input from housing and other programs in the HNI only.
- Other considerations and local knowledge also involved in the allocation of housing funds.

Figure 4
Indicators of Housing Need (Percentage Contribution to Indicator)



Conclusion

The core housing need approach used in Canada evaluates three key norm housing standards (crowding, adequacy and affordability), which are simultaneously used to test individual households to determine whether they are in housing need. Conversely, housing need measures used in the United States and in England comprise a composite of several indicators of need that are independently assigned different weights, collectively forming an overall indicator or formula.

The U.S. fair share measure includes indicators of housing standards similar to the Canadian core need approach. However, the U.S. measure also includes a general indicator of poverty, while the core need approach considers income only in relation to housing costs. The indicators used in England place less emphasis on income. Instead, individual elements reflect the needs of particular groups, the need for additional housing supply and need based on the physical condition of the existing housing stock.

This issue of Research and Development Highlights has been produced as a result of work carried out in the Research Division of the Canada Mortgage and Housing Corporation (CMHC). An NHA report entitled "Core Housing Need in Canada" focuses in greater detail on Canadian housing needs measurement. For further information you may contact: Mr. J. Engeland, Researcher, Housing Needs Analysis at (613) 748-2799, or Mr. P. Wheatley, Program Evaluator at (613) 748-4665.

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Research & Development Highlights

Socio-economic Series

Issue 6

Potential Housing Demand Projections

Introduction

The housing sector is a major contributor to the economy. What is the long-term outlook for housing demand? What factors will shape it? How will the composition of housing demand change over time? These questions are explored in this issue of *Research and Development Highlights*.

Background

Demographic changes are crucial in determining the level, composition and location of housing demand. Changes in the size and characteristic of the population ultimately affect the type and quantity of housing required. Recognizing the link between population change and housing demand, CMHC has developed potential housing demand projections for Canada and the provinces covering the period 1986 to 2011.

Potential housing demand refers to the projected annual increase in the total number of households (projected net household formation). While other factors — such as replacement of units lost from the housing stock and allowance for a normal level of vacant units — affect the requirement for new dwelling units, growth in the number of households is typically the major source of demand for new units.

Findings

The Base Projection

CMHC's base projection indicates that potential housing demand will be strong and stable through 1996, after which it will fall. An aging population is the main reason for the projected long-term decline in demand; an increase in deaths and a reduction in births will result in decreasing population growth.

Despite the long-term drop, potential demand will consistently exceed the 1981-86 annual average of 142,000, but will not reach the high levels of the 1970s, when the number of households increased by well over 200,000 per year.

Average Annual Potential Housing Demand — Base Projection

Projection	1986-1991	1991-1996	1996-2001	2001-2006	2006-2011
Base	192,800	195,700	184,100	175,300	168,300

Effects of Immigration

Immigration levels during the next 20 years will have a major impact on potential housing demand. Between 1976 and 1986, immigration to Canada averaged just under 110,000 people per year. Today, it is nearly double that (212,000 in 1990), and the government's immigration plan calls for further increases to 250,000 annually from 1992 through 1995. The base projection described above assumes that immigration will equal the target levels set out in the government's plan and that the peak level of 250,000 will be maintained until the end of the projection period. What would be the effect on potential housing demand if the inflow of immigrants were higher or lower than envisaged in the plan?

Cette publication est aussi disponible en français sous le titre *Prévisions de la demande éventuelle de logements*

Base
projection
results
suggest
that a
decreasing
fraction of
potential
demand will
come from
traditional
family
households

Two alternatives were tested:

- a low assumption, that is to say a constant annual inflow of 200,000 immigrants;
- a high assumption, featuring a rise in immigration beyond planned totals to 300,000 per year.

The low projection shows continuously declining potential housing demand. In contrast, the high immigration projection postpones the decline in demand until the turn of the century, with annual demand in 2006-11 not appreciably lower than in 1986-91.

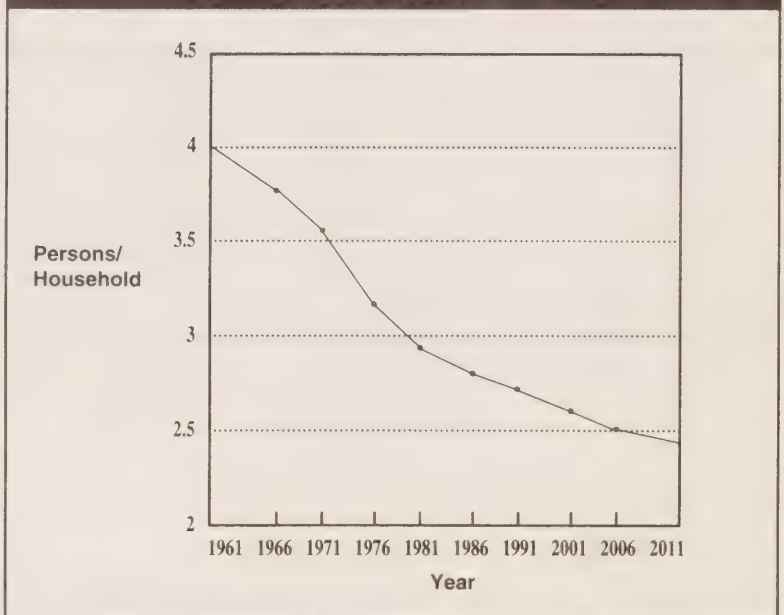
Average Annual Potential Housing Demand — Low & High Immigration

Projection	1986-1991	1991-1996	1996-2001	2001-2006	2006-2011
Low Imm.	192,200	178,600	163,200	152,500	144,200
High Imm.	192,800	201,100	202,900	196,900	191,600

Average Household Size

Average household size will continue to shrink, although not as rapidly as in the past. Between 1961 and 1986, the size of the average Canadian household dropped from 4 to 2.8 persons. Explanations for the drop include increased affluence, rising female participation in the labour force, rising divorce rates, delayed marriages and an increased likelihood of remaining single. According to the base projection, average household size will drop to just under 2.5 in 2011.

Average Household Size Canada, 1961-2011 Base Projection



Demand by Household Type

Base projection results suggest that a decreasing fraction of potential demand will come from traditional family households. The rising contribution of non-family households to potential housing demand is largely the result of aging of the population, which will move the age distribution of the population away from prime family-forming age groups. The majority of these non-family households will be composed of individuals living alone.

Demand by Age Group

Because the population is aging, potential housing demand will come increasingly from households headed by those aged 45 and over. In fact, after the turn of the century, the number of households headed by those under 45 will decline in absolute terms.

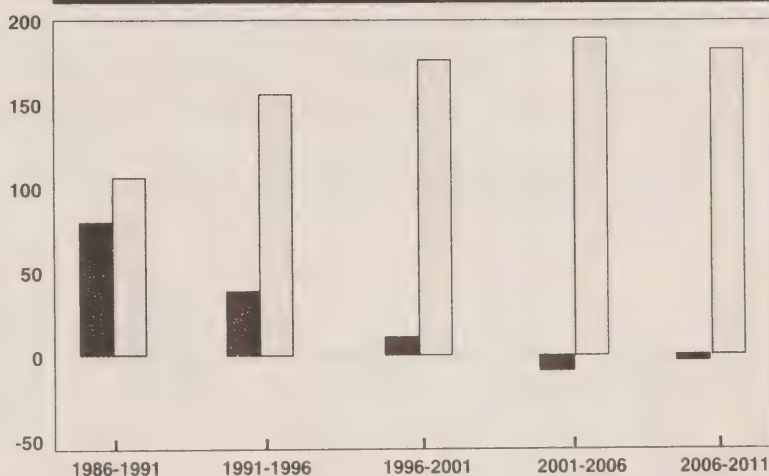
Demand by Tenure

The base projection indicates that the share of demand coming from owner households will rise, level off and finally drop. The pattern reflects the combined influences of the build-up of non-family households described above, as well as an aging population. Non-family households are more likely to rent than family households, and although the propensity to own generally increases with age, it drops off slightly in age groups above 65.

Demand by Household Type — Base Projection (% of total demand)

Household Type	1986-1991	1991-1996	1996-2001	2001-2006	2006-2011
Family	132,000 (68.5%)	131,400 (67.1%)	118,500 (64.4%)	107,500 (61.3%)	96,900 (57.6%)
Non-family	60,700 (31.5%)	64,400 (32.9%)	65,600 (35.6%)	67,800 (38.7%)	71,400 (42.4%)

Potential Demand by Age Group Canada, Average Annual Demand, 1986-2011 Base Projection



Demand by Tenure — Base Projection (% of total demand)

Tenure	1986-1991	1991-1996	1996-2001	2001-2006	2006-2011
Owner	126,200 (65.5%)	133,200 (68.1%)	124,400 (67.5%)	114,700 (65.4%)	105,800 (62.8%)
Renter	66,500 (34.5%)	62,500 (31.9%)	59,700 (32.5%)	60,600 (34.6%)	62,500 (37.2%)

This research highlight summarizes some of the findings from *Potential Housing Demand Projections: Canada and the Provinces 1986-2011*, a study completed by the Research Division of CMHC. You can obtain a copy of this report by contacting the Canadian Housing Information Centre at (613) 748-2367. Any questions about the contents of this highlight may be directed to Roger Lewis, Researcher, Housing Requirements, at (613) 748-2797.

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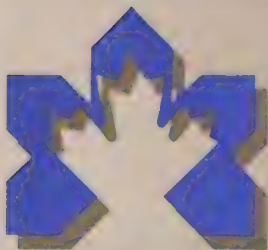
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Research & Development Highlights

Socio-economic Series

Issue 5

Canadians and Their Housing: Income, Tenure and Expenditure Shifts

Introduction

has housing become less affordable for Canadians, particularly for those of low income? This issue of *Research and Development Highlights* presents some key findings from a CMHC study of Statistics Canada's Family Expenditure Survey (FAMEX) data.

Findings

Background

The eight-year period between 1978 and 1986 was one of dramatic economic and socio-demographic change. The economy initially slowed down sharply — with housing starts tumbling, and unemployment and inflation rising — before the business cycle started to recover in the latter half of the period. At the same time, birth rates fell, age-at-first-marriage increased, divorce rates climbed and life spans lengthened. Elderly, single-person and single-parent households increased faster than those of traditional families with children. The accompanying shifts in income and housing consumption which occurred over this period are the subject of this highlight.

The Overall Trend

Between 1978 and 1986, increases in aggregate shelter costs spent by all Canadians were matched by increases in their aggregate incomes. As a result, the average portion of income that Canadians spent on shelter remained at about 15 percent throughout the period. However, when these high-level relationships are analysed in detail, important findings emerge.

A Disaggregated Analysis

For the purposes of this analysis, Canadian households have been divided by quintiles based on income, into the five equal groups shown on page two. The group classified as the lowest quintile contains the 20 percent of Canadians with the lowest incomes — for example, those with incomes under \$14,484 in 1986.

Cette publication est aussi disponible en français sous le titre *Les Canadiens et leur logement : variations du revenu, du mode d'occupation et des dépenses*

Upper Quintile Limits and Percentage Distribution of Total Income and Shelter Expenditures, Selected Years

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile
Upper Quintile Limits (in constant 1986 dollars)					
1978	\$15,961	\$27,191	\$37,050	\$50,389	
1982	\$14,888	\$25,664	\$36,217	\$50,677	
1986	\$14,484	\$25,500	\$36,912	\$52,215	
Shares of Total Income (before tax) — %					
1978	5.8	12.4	18.3	24.7	38.7
1982	5.6	11.8	17.9	24.8	39.9
1986	5.4	11.0	17.4	24.7	41.4
Shares of Total Expenditures on Principal Accommodation — %					
1978	11.8	16.3	20.5	23.0	28.4
1982	11.7	15.6	19.4	23.6	29.7
1986	12.6	16.4	19.4	23.2	28.4

Two Major Findings Emerge

- The distribution of income and shelter expenditures is unequal, i.e. the 20 percent of households in the lowest quintile carry about 12 percent of aggregate Canadian shelter expenditures even through their share of aggregate income is less than half that — under six percent.
- This inequality increased over the 1978-1986 period, with the shelter cost burden increasing for the poorest, i.e. the share of income received by the lowest income households in Canada diminished at a time when their share of aggregate shelter expenditures increased.

Average Income and Shelter Cost-to-Income Ratios and Tenure Profiled by Quintiles, Selected Years

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile
Average Income (before tax — in constant 1986 dollars)					
1978	\$10,162	\$21,619	\$31,964	\$43,124	\$67,746
1982	\$9,723	\$20,196	\$30,823	\$42,664	\$68,936
1986	\$9,708	\$19,683	\$30,942	\$44,107	\$74,193
Average Shelter Cost-to-Income Ratios — % of income spent on shelter					
1978	28.9	18.9	16.3	13.9	10.8
1982	30.5	20.0	16.4	14.5	11.1
1986	33.0	21.4	16.5	13.9	10.0
Tenure Profile by Quintile (ratio of owners to renters)					
1978	48.9/51.1	49.5/50.5	62.1/37.9	73.0/27.0	85.0/15.0
1982	39.9/60.1	49.4/50.6	61.4/38.6	74.4/25.6	86.6/13.4
1986	34.1/65.9	46.7/53.3	58.3/41.7	73.6/26.4	86.7/13.3

Three Additional Findings Emerge

- As incomes — adjusted for inflation — grew for Canada's highest income households, they actually fell for the poorest households.
- While the proportion of income spent on shelter diminished for Canada's highest income households (with the exception of 1982, when high interest rates adversely affected homeowner mortgage expenses), it increased for the poorest households, pushing the average shelter cost-to-income ratio for the lowest quintile above today's accepted affordability norm of 30 percent.
- As a result, there was a major reduction in the level of ownership of dwellings in the lowest quintile, while it edged higher in the highest quintile group.

A Focus on the Lowest Quintile

The remarkable tenure changes in this group partially reflect its socio-demographic evolution. Households in this group diminished in size throughout the period, falling from an average 1.8 persons in 1978 to 1.6 in 1986. This occurred as the group comprised of one-person, unattached-individual households, with their traditionally low incomes, grew from 48 percent in 1978 to 60 percent in 1986. At the same time, the proportion of married-couple families shrank from 35 to 24 percent.

The remaining "other" households (mostly single parents and unattached individuals sharing dwellings) accounted for about 16 to 17 percent throughout the period. The distinctive socio-demographic nature of the households in this lowest income quintile stands out when compared to other quintile groups.

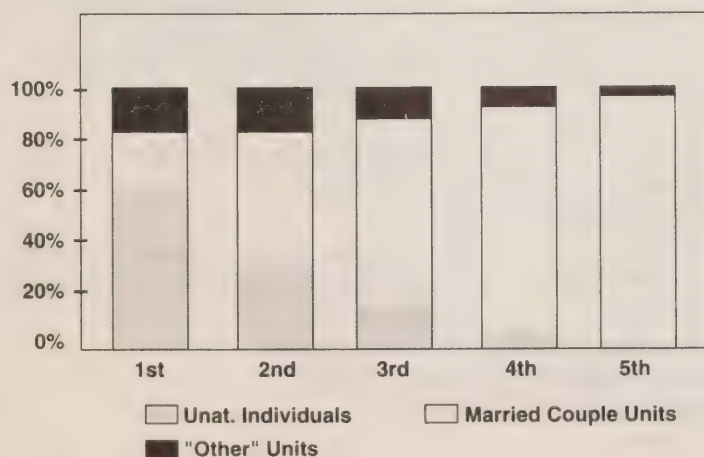
Shelter costs absorbed much of the incomes of the poorest Canadian households. The dwindling group of owners with mortgages in the lowest quintile had the highest shelter cost-to-income ratios, paying on average 44 percent of their incomes for their shelter when mortgage interest rates were high in 1982 and a little less (40 percent) when rates were lower in 1986.

Of greater note is the growing segment of renters in this quintile: by 1986 they numbered 1.145 million households and constituted fully one-third of all Canadian renters. Throughout the period, their shelter cost-to-income ratio averaged above today's accepted norm of 30 percent, climbing to 36 percent by 1986. Even those living in mortgage-free homes generally allocated one-quarter of their incomes for shelter. Regardless of their tenure, after their housing, food expenditures claimed another 25 percent of their already low incomes, averaging under \$10,000 in 1986.

**Shelter costs
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Quintile Composition by Family Type

Canada 1986



Conclusion

Households in the lowest income quintile in Canada changed significantly in socio-demographic, real income and shelter cost profile between 1978 and 1986. At the same time that housing grew more costly for this group, its composition shifted away from traditional married couples to households more prone to lower income: individuals living on their own and single parents. Home ownership in the group fell, as the percentage of renters paying a high proportion of income for shelter increased.

An understanding of these changes is important to Canada's governments as they work to ensure that all Canadians have suitable, adequate and affordable housing. Future issues of *Research and Development Highlights* will return to this important question.

This research highlight summarizes some of the findings from "An Examination of Household Housing Expenditures, 1978-1986," a study completed by Mr. Boriss Mazikins for the Research Division of CMHC. A more detailed CMHC report on this subject is forthcoming. Any questions on the contents of this highlight may be directed to Mr. J. Engeland, Researcher, Housing Needs Analysis, Research Division.

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Research & Development Highlights

Socio-economic Series

Issue 4

The Value of Canada's Homeownership Housing Stock

Introduction

For most Canadians, the value of their house is very important, because it is probably the largest purchase they ever make. What do homeowners feel their homes are worth? How have their perceptions changed? These questions can be answered using information gathered for CMHC over the 1985 to 1990 period.

Using Statistics Canada's Household Facilities and Equipment (HFE) survey, CMHC asked homeowners: "For how much would this dwelling sell today?" Between 1985 and 1990, four HFE surveys reached a total of about 100,000 owners with this question.¹ This issue of *Research and Development Highlights* explores their responses.

Findings

Throughout the latter half of the 1980s (with the exception of some years in Nova Scotia, Manitoba and Saskatchewan) homeowners estimated the value of their homes to be continuously increasing. However, by the end of the decade homeowners had tempered their perceptions of house value.

Average Owner-estimated House Values, HFE¹

	1985	1987 (in \$000s)	1989	1990
NFLD	43.6	50.3	57.5	62.9
PEI	48.3	60.7	63.8	69.2
NS	56.5	65.2	83.7	79.1
NB	47.7	54.7	63.4	68.8
QUE	62.9	84.5	103.6	109.7
ONT	90.2	143.3	196.3	208.5
MAN	61.0	81.7	79.4	84.8
SASK	60.7	73.9	67.9	70.5
ALTA	78.8	90.2	98.8	113.6
BC	93.3	104.4	145.6	174.5
CANADA	78.4	106.9	143.6	149.6

Homeowner Estimates of House Value Compared to House Price Data

On average, homeowners' estimates of their house values were on track in the latter half of the last decade. This is the finding when homeowner estimates of house values are compared to two different sources of national house sales price data (no single definitive source exists).

1. House value data were also collected using the same question in 1988. However, since these data were collected using a different vehicle (the Shelter Cost Survey), they are not included as part of this series.

Cette publication est aussi disponible en français sous le titre *La valeur du stock de logements de type propriétaire-occupant au Canada*.

When
housing
markets
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downward at
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perceptions
of home
values

The first, Multiple Listing Service (MLS®)² residential data, compiled by The Canadian Real Estate Association (CREA), provides national information on the selling prices of all homes sold by their co-operative listing service. While many Canadian homes are sold through MLS®, shifts over time in the proportion and composition of homes sold can affect this comprehensive national house price data.

The second source, *National Housing Act* (NHA) data, is based on the selling prices for all dwellings whose mortgages are insured under the *National Housing Act*. The prices of these NHA-insured houses reflect their concentration in the low-to-middle end of the market.

Average House Price Series — Canada

(prices in \$000s; ratio of HFE house values to prices shown in brackets)

Price Series	1985	1987	1989	1990
MLS®	80.8 (.98)	109.5 (.98)	139.4 (1.03)	137.1 (1.09)
NHA	61.8 (1.27)	74.2 (1.43)	87.6 (1.64)	88.5 (1.69)

The wide spread between average MLS® and NHA house prices grew between 1985 and 1990 as increases in NHA prices lagged behind those in the overall market.

At the National Level

During the 1980s, average HFE owner-estimated house values corresponded closely to average MLS® house prices. Beginning in 1989, however, HFE homeowner-estimated dwelling values rose above MLS® sales prices. When housing markets turned downward at the end of the decade, homeowners may have been slow to adjust their perceptions of home values. (Between 1989 and 1990, MLS® price data show actual price declines in five provinces and, as shown below, an overall average decline of 1.7 per cent at the national level.) As a result, on average, homeowners estimated their house values (HFE) to be higher than what homes on the market were selling for (MLS®) by three per cent in 1989 and nine per cent in 1990, as shown above.

Increases in Estimated House Values Compared to House Prices 1985-1990 (percentage increase, Canada, three periods)

	1985-1987	1987-1989	1989-1990
HFE House Values	36.3%	34.4%	4.2%
MLS® Sales Prices	35.6%	27.3%	-1.7%
NHA Sales Prices	20.0%	18.2%	1.0%

By the end of the 1980s it appears that, in general, homeowners perceived that the growth rate of house values had slowed. The difference between HFE and MLS® data for the last two years of the decade

². MLS is a registered certification mark owned by The Canadian Real Estate Association.

likely stems from the delayed response of homeowners to changing market conditions, since the downturn in homeowner expectations (measured by HFE) lagged behind the downturn in sales prices (measured by MLS®).

At the Provincial Level

Results at the national level are the consequence of activity at the provincial level. An examination of provincial data helps to explain the 1989 change in the HFE/MLS® relationship. Homeowners in the "hottest" markets were the slowest to adjust to changing conditions. Even though HFE values were lower than MLS® prices in the majority of provinces in 1989, they were about 13 per cent higher in Ontario. In 1990, homeowners in British Columbia and, to a lesser extent, Alberta joined those of Ontario, pulling the HFE national average above that for MLS®. Between 1989 and 1990, it was Alberta and B.C. homeowners whose expected house values increased at the fastest rates, 15 and 20 per cent respectively. Generalizing, throughout the 1980s it was homeowners in the highest-priced provinces who tended to assess the values of their dwellings at levels slightly higher than average MLS® prices. Likewise, those in lower-priced provinces, particularly the Maritimes, did the reverse.

In sum, the basic pattern of estimated house values across provinces follows the pattern for house prices even though the match between average HFE house values and MLS® house prices is not as close in the provincial as it is in the national data. The lowest prices and values are consistently found in the Atlantic provinces and Saskatchewan.

Average House Values by Location

The estimated values homeowners gave their homes in the 1980s were strongly correlated to the size of the settlement in which they lived. The larger the settlement, the higher the value homeowners gave their homes and the faster their estimates of home values increased. The home value data below illustrate that the dwelling value differential associated with settlement size increased over this time period.

Average House Value and Settlement Size

Settlement Size	1985	1987	1989
500,000+	99,412	144,981	204,899
100,000-499,999	68,474	93,787	118,168
30,000-99,999	67,429	85,276	110,461
Other Urban Areas	56,130	75,125	84,834
Rural Areas	54,107	65,630	83,226
Canada Average	78,409	106,885	143,613

**Homeowners
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"hottest"
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changing
conditions**

Average House Values by Mortgage Status

Since 1983, about half of Canada's homeowners have been mortgage-free. In 1985 and 1987, owners with mortgages placed greater values on their houses than did mortgage-free owners. In 1989, however, owners reported about the same value regardless of their mortgage status.

Average House Value By Owner's Mortgage Status

	1985	1987	1989
With Mortgage	81,606	111,414	143,605
Mortgage-free	75,370	101,843	143,621
Difference (%)	8.3	9.4	0.01

Conclusion

At the national level, homeowners' estimates of the values of their dwellings were very close to actual selling prices as measured by MLS® data for the 1980s. HFE homeowner-estimated dwelling values did, however, rise throughout the period to exceed MLS® sales prices by 1990. As expected, there is a wide difference between HFE homeowner-estimated home values and NHA home prices at the low-to-middle end of the market. This HFE/NHA value/price difference grew over the period.

Provincially, the match between the HFE and MLS® data is not quite as close as it is at the national level. HFE values seem to be underestimated in the Atlantic provinces, and overestimated in Ontario and, more recently, overestimated in B.C. as well. To conclude, it seems homeowners may undervalue their dwellings in lower-priced housing markets and overestimate their value in higher-priced markets.

This research highlight has been produced as a result of work completed in the Research Division of Canada Mortgage and Housing Corporation. For further information, contact: Mr. J. Engeland, Researcher of Housing Needs Analysis, at (613)748-2799 or Ms. J. Gameau, Program Planning Analyst, at (613)748-2697.

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Research & Development Highlights

Socio-economic Series

Issue 3

Accessory Apartments: Characteristics, Issues and Opportunities

Introduction

Recently there has been a surge of interest in accessory apartments in Canada. Defined as independent living spaces in primary housing units, accessory apartments usually share a yard and a parking space, and sometimes an entrance. Referred to as either accessory apartments, illegal suites or secondary units, they are an ongoing planning issue both because of their predominantly illegal status and because they are a method of housing intensification, which is increasingly being seen as a necessary and desirable development option. Typically renting at the low end of the market and representing a source of supplemental income for their owners, accessory apartments also enhance housing affordability for both renters and home owners alike.

CMHC recently completed a study of accessory apartments in Canada. It reviews current research on the subject and explores the relationship between accessory apartments and affordable housing. The study also identifies the characteristics, issues and opportunities associated with accessory apartments, particularly in Canada's three largest cities: Toronto, Montréal and Vancouver.



Findings

Unit Characteristics

Types and Sizes: Although existing surveys have produced little information about the exact number of units available by type and size, they have confirmed a range of accessory apartment options, including bachelor apartments and multi-bedroom suites. More precise information can be obtained only through comprehensive dwelling-by-dwelling interior inspections, which have never been conducted on a significant scale in Canada.

Number of Units: Surveys in the Toronto and Vancouver regions indicate that 10 to 20 per cent of single detached dwellings contain accessory apartments. The proportion is higher in the centres of cities and in older districts. In the city of Vancouver, there were an estimated 3,000 to 6,000 accessory apartments in 1976. By 1986, it was estimated that there were 26,000 accessory apartments contained in as much as 37 per cent of the stock of detached housing. This proliferation of accessory units in Vancouver was largely the result of the construction of significant numbers of the "Vancouver Special," a disguised duplex expressly designed to accommodate a second unit. More recently, accessory apartments in Vancouver have declined to about 30 per cent of the stock of detached houses. In the Toronto region, there's an estimated 40,500 units — 10,000 to 20,000 units in North York, 14,000 units in Scarborough and 6,500 units in York. In the older areas of Scarborough, about 15 per cent of the stock contains accessory apartments.

In Montréal, it is estimated that 35 to 40 per cent of the duplex stock contains accessory apartments.

Nationally, it appears that anywhere from 10 to 20 per cent of a region's detached housing stock, and anywhere from five to ten per cent of its total housing stock, contains accessory apartments.

Type of Owner: Dwelling units containing accessory apartments are either owner-occupied or absentee-landlord. More information is available about the former than the latter. Typically, owner-occupied units with accessory apartments are owned by young households that must supplement their incomes to afford their houses. For example, in

Cette publication est aussi disponible en français sous le titre *Les appartements accessoires : caractéristiques, questions et occasions*.

**In general, it
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accessory
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average
market rent**

North Vancouver, about 30 per cent of the households with accessory apartments would have to sell their homes if their supplemental income were removed. In a recent sample of 264 Toronto owners currently renting accessory apartments, 76 per cent stated that the most important reason for doing so was to make money. Conversely, of those no longer renting an apartment, 45 per cent needed the space, five per cent no longer needed the money and 12 per cent wanted more privacy. Contrary to popular belief, few senior households rent out accessory apartments.

Type of Tenant: Research has shown that most tenants in accessory apartments have social values similar to those of the owner and surrounding community, and are motivated to rent an accessory apartment in order to enjoy the quiet "family-character" of the neighbourhood. Further, a study in the district of North Vancouver found that a family or friendship tie existed in almost half of the landlord-tenant relationships reported. Based on the above research, typical concerns about the social character and class of tenants of accessory apartment appear to be unfounded.

Rent Levels: A recent study of housing needs in the district of North Vancouver found that the rent levels of accessory apartments averaged over \$100, or 20 per cent less than rents for comparable units in multi-family apartment buildings (as reported by the CMHC Rental Survey). Rent levels in a survey of accessory apartments in Toronto were found to be about 15 per cent less than levels in the CMHC Rental Survey. In general, it appears that accessory apartments rent for less than average market rent. Often, however, they remain unaffordable for the lowest income groups because of the relative cost of rentals in their immediate vicinity — accessory apartments are often located in modest to middle income suburban areas. The family or friendship ties that exist in many accessory-apartment arrangements also tend to preclude low-income tenants from obtaining accessory units.

Observed Relationships: Analysis of accessory apartments in Canada reveals some interesting relationships between the types and quality of accessory apartments, and the age and type

of dwelling units within which they are housed. In multiple-zoning, inner-city areas where the housing stock is typically older, accessory apartments are commonly found above grade, largely because the basements in these areas are less habitable (low ceilings, dampness and so on), and because the landlord is absent. These accessory apartments also tend to be of lower quality because they are older, they are not expressly forbidden (multiple-zoning) and their owners usually don't live close by. Conversely, in newer, suburban houses, accessory apartments are more commonly found below grade, primarily because the basement is more habitable and the owner occupies the premises. These apartments also tend to be in better condition because they are newer and because they are generally illegal, giving the owner more incentive to maintain the unit. Generally, apartment quality is at its worse in absentee landlord situations in neighbourhoods where accessory apartments are not expressly prohibited.

Issues

A number of building and municipal code issues related to accessory apartments have been identified:

Ceiling Height: Ceiling height is an especially important issue. As not all basements have sufficient height to allow for livable space, ceiling height standards are a major limitation on the number of apartments that can be created. A study in Vancouver estimated that if minimum height standards were imposed, the potential for creating basement apartments would sharply decline. For example, if a minimum height of 8 feet were imposed, some 30 per cent of potential basement apartments would be rendered illegal. The cost of excavating a basement to code standards is usually prohibitive — the same study estimated this cost at close to \$40,000.

Access/Egress: To ensure fire safety, at least two means of external access and egress are required in most jurisdictions, although one of the exits is usually permitted to be a window.

Parking: Availability of parking is an important determinant of the conversion potential of a dwelling unit. Many dwelling types, such as two- to three-storey town houses with built-in garages, are considered to have less conversion potential because of their limited parking.

This issue becomes more complicated when further criteria for approval are included in by-laws. Requiring all parking to be at the back of the building or outlawing tandem parking for example, often renders illegal, units that would otherwise be suitable accessory apartments.

Dampness : Dampness in basement apartments can be injurious to health and belongings, encourage mould and produce an unsatisfactory living environment. In older houses, basement dampness often limits the potential to create accessory apartments and, where apartments have been created, it makes them less desirable.

Implications of Legalization

The advantages associated with legalizing accessory apartments seem to be outweighed by the disadvantages. With legalization comes the need for building permits, inspections and other procedural safeguards. These safeguards not only improve a municipality's information on accessory apartments, but also help ensure that the end products are healthier and safer due to better fire separation, better insulation, and better adherence to electrical, plumbing and other municipal codes.

The disadvantage to legalizing accessory apartments relates primarily to its impact on supply. Code-conforming conversions, with permit fees, building materials and labour costs, can easily exceed \$40,000. Since the decision to create an accessory apartment is often a response to problems of affordability, these costs often negate the benefits of adding an apartment. After measures were introduced to legalize accessory apartments in Vancouver, the percentage of single detached units containing these apartments declined from approximately 37 per cent in 1986, to approximately 30 per cent in 1990. Similarly, in Ontario, since September 1989, only 46 units have been funded under the "Home Planning Advisory Service Program" (a program to encourage home owners to create additional units that conform to building code requirements), after approximately ten times that many initial inquiries. Many of the initial

inquirers must either have chosen the less expensive, illegal route to conversion, or were discouraged from converting their dwelling unit at all.

Ironically then, although legislation could improve the quality of accessory apartments, experience indicates that the end result would be a decline in their overall numbers.

Accessory Units and Affordability

Accessory apartments represent individual household's responses to issues of housing affordability and are created only when home owners are willing to give up some of their dwelling space and privacy in order to produce revenue. Further, they are viable only when there is demand from prospective tenants who are willing to live in close proximity to landlords and/or other tenants in order to save on rent.

Historically, the supply of accessory apartments rises at times when prospective and existing home owners are least able to afford home ownership, or when the housing market is unable to meet high demands for rental accommodation. Other factors affecting the supply of accessory apartments include the economics of conversion (including the effects of legalization) and demographics.

A strictly demographic analysis indicates that there is little reason to expect an increase in accessory apartments in the near future. The demographic bulge of young families, traditionally the main group of accessory apartment owners, has now passed. Some people, therefore, believe that the number of accessory apartments will decline throughout the 1990s. Others see no reason to believe accessory apartments will decline in the near future, particularly in the Toronto and Vancouver markets, where high levels of national and international in-migration will continue to fuel housing demand.

Regardless of the fluctuations in individual housing markets, however, the leverage to expand the role of accessory apartments, either by legalizing them or by other housing policies, is quite limited, particularly at the federal level. Apart from market forces, the strongest influences on the quality, characteristics and distribution of accessory apartments are planning controls (principally zoning regulations) and building code specifications. These influences are almost entirely outside federal jurisdiction.

**The
advantages
associated
with
legalizing
accessory
apartments
seem to be
outweighed
by the
disadvantages**

This research highlight is a result of the work carried out in the Research Division of Canada Mortgage and Housing Corporation. For further information, contact: Mr. Peter Spurr or Mr. David D'Amour of the Research Division at (613) 748-2311. The full report may be obtained from the Canadian Housing Information Centre (613) 748-2367.

The Research and International Affairs Directorate of CMHC carries out and finances a broad range of research on the social, economic, and technical aspects of housing. This CMHC Research and Development Highlight Sheet is one of a series intended to briefly inform you of the nature and scope of these activities.

For more information on CMHC housing research, contact:

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Research & Development Highlights

Socio-economic Series

Issue 2

The Condition of Canada's Housing Stock

Introduction

CMHC requires information on the physical condition of Canada's dwellings for housing research, policy development and program delivery. One of the ways this information is gathered is by asking occupants to assess the condition of their own units and to classify them by degree of need for repair.

Since 1982, CMHC has sponsored an occupant self-assessment "need for repair" question on the Household Facilities and Equipment (HFE) surveys, which are administered as supplements to the Statistics Canada Labour Force Survey (LFS). This issue of *Research & Development Highlights* presents the results that were acquired throughout the 1980s from the following question:

Is this dwelling in need of any repairs? (Do not include desirable remodelling, additions, conversions or energy improvements.)

- **Yes, major repairs** are needed (to correct, for example, corroded pipes, damaged electrical wiring, sagging floors, bulging walls, damp walls and ceilings, crumbling foundation, rotting porches and steps).
- **Yes, minor repairs** are needed (to correct, for example, small cracks in interior walls and ceilings, broken light fixtures and switches, leaking sinks, cracked or broken window panes, some missing shingles or siding, some peeling paint).

- **No, only regular maintenance** is needed (for example, painting, leaking faucets, clogged gutters or eavestroughs).

Findings

Degree of Need of Repair

About one quarter of Canadian households regularly report that their dwelling needs either minor or major repairs. Minor repairs have increased while the reported need for major repair declined throughout the 1980s.

Condition of Housing Stock — %

	1982	1985	1987	1988	1989
Need For Repair					
• major	12.9	12.4	10.5	10.2	10.0
• minor	14.9	13.8	16.0	16.6	15.0
Regular Maintenance (no repair)	72.2	73.7	73.5	73.3	75.0
	100.0	100.0	100.0	100.0	100.0



Cette publication est aussi disponible en français sous le titre *L'état du parc de logements au Canada*.

Need for Dwelling Unit Repair – %

	1982 own/rent	1985 own/rent	1987 own/rent	1988 own/rent	1989 own/rent
Need For Repair					
• major	14.1/10.9	13.4/10.8	11.0/9.7	11.0/8.8	10.3/9.6
• minor	14.1/16.3	12.6/16.0	15.1/17.5	15.7/18.0	13.5/17.4
Regular Maintenance (no repair)	71.8/72.8	74.1/73.2	73.9/72.7	73.3/73.2	76.2/73.0

Need For Repair By Age of Dwelling – 1989 Survey Data

	Age of Stock (%)	Need For Repair		
		Major	Minor	Maintenance Only
Built				
• before 1941	17.8	38.4	24.9	13.6
• 1941-1960	22.4	26.0	27.5	20.9
• 1961-1970	19.3	16.2	20.4	19.4
• 1971-1980	26.2	17.3	22.6	28.1
• 1981-1989	14.3	1.9	4.5	17.9

Need For Repair By Settlement Size – 1989 Survey Data

Households by Settlement Size		Need For Repair		
		Major	Minor	Maintenance Only
	(%)			
Urban Areas				
• 100,000+	60.1	47.6	55.3	62.3
• <100,000	23.7	26.3	25.7	23.4
Rural Areas	16.2	26.1	19.0	14.3

Need For Repair By Tenure of Household

Need for major dwelling repair is reported more often by owners than renters. This was still the case in 1989 even though the proportion of owners reporting need for major repair declined throughout the 1980s.

Need For Repair and Age of the Stock

The belief that the need for major repair is greatest in the oldest stock is confirmed by household reports. Though less pronounced, the same relationship holds for minor repair. As data show, stock of all ages is reported in need of regular maintenance.

The Geography of the Need for Dwelling Repair

Housing stock condition varies by size of settlement and region. The greatest concentration of dwellings in need of major repair occurs in rural areas, where homeownership is particularly high. (As indicated above, homeowners consistently report more need of major repair than do renters.)

Regionally, the highest concentration of households reporting the need for major repair is in the Atlantic. Throughout the 1980s, while just eight per cent of Canada's households resided in the region, about 12 per cent of those reporting need for major repair were Atlantic households.

Household Income, Age of Head and the Need for Repair

Two beliefs are commonly held: the poor and the elderly more often live in dwellings needing repair. While the information presented here confirms the first belief, it shows the second to be untrue.

Dwellings in need of major repair are more commonly occupied by lower income households. By 1989, households of the lowest income quintile were 60 per cent more likely than those of the highest quintile to report a need for major dwelling repair. On the other hand, it was households led by the non-elderly rather than the elderly that were 20 per cent more likely to report that their dwellings needed major repair.

In conclusion, with up to 25 per cent of Canada's housing stock regularly in need of repair, appropriate investment in upkeep is critical.

Need for Major Repair By Household Income — %

Income Quintile	1985	1987	1988	1989
First quintile	22.7	24.7	21.7	23.6
Second quintile	22.9	21.8	22.4	22.2
Third quintile	19.2	19.6	20.8	22.1
Fourth quintile	19.1	18.2	18.8	17.4
Fifth quintile	16.0	15.7	16.3	14.7

Need For Repair By Age of Household Head

	1982 <65/65+	1985 <65/65+	1987 <65/65+	1988 <65/65+	1989 <65/65+
Need For Repair					
• major	13.0/12.6	12.6/11.4	10.8/9.5	10.5/8.9	10.4/8.5
• minor	15.2/13.4	14.3/11.5	16.8/12.3	17.3/13.0	15.7/11.9
Regular Maintenance (no repair)	71.8/73.9	73.0/77.0	72.4/78.2	72.2/78.1	73.9/79.5

This research highlight is a result of the work carried out in the Research Division of Canada Mortgage and Housing Corporation. For further information, contact: Mr. J. Engeland, Researcher of Housing Needs Analysis at (613) 748-2799 or Josée Garneau, Program Planning Analyst at (613) 748-2697.

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Research & Development Highlights

Socio-Economic Series

Issue 27

The Housing Conditions of Aboriginal People in Canada

Introduction

many case studies have documented poor, unsafe, and crowded housing conditions in Canadian Aboriginal communities. These studies have used a variety of approaches, making it difficult to compare results or to obtain a national perspective.

This issue of *Research & Development Highlights* presents the findings of a comprehensive national study of Aboriginal housing conditions in Canada. The study combined data from the 1991 Census and the post-censal Aboriginal Peoples Survey (APS), and used CMHC's core housing need model. It describes Aboriginal housing conditions across the country and compares them to non-Aboriginal conditions.

Core Housing Need Model

The core housing need model is used by Canada's federal government, provincial housing agencies, and other key players in the housing field — such as municipalities and non-profit housing groups — to monitor housing conditions and to assist in the design, delivery, and evaluation of social housing initiatives. Housing conditions are assessed to identify households living below standards for adequacy, suitability, or affordability:

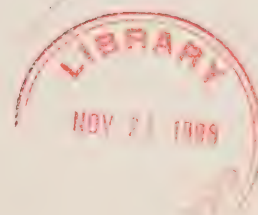
- To be **adequate**, a dwelling must have full bathroom facilities and, according to its residents, require no major repairs.
- To be **suitable**, a dwelling must have enough bedrooms for the size and make-up of the occupying household, as defined by the National Occupancy Standard.
- To be **affordable**, total shelter and utility costs must consume less than 30 percent of household income.

Households whose housing does not meet one or more standards **and** whose income is insufficient to afford rental housing that does meet standards are considered to be in core housing need. While the core housing need model has general applicability and is based on uniform standards, it cannot be fully applied on reserves where most housing is band-owned and shelter costs are handled differently. It is, however, still possible to identify households on reserves whose accommodations do not meet accepted standards.

The Aboriginal Peoples Survey Data Base

The APS was administered to a sample of households in which at least one person had indicated Aboriginal ethnicity or status in the 1991 Census. Data from the APS

Core Housing
Need Model
Used To Assess
Aboriginal
Housing
Conditions



Cette publication est aussi disponible en français sous le titre *Les conditions de logement des peuples autochtones au Canada*.

More Than Half of Aboriginal Households Below Housing Standards

were linked to data from the Census, resulting in a rich data base which expands the information available from the Census alone. While the Census and the APS experienced some problems with incomplete enumeration of the Aboriginal population, the data that they provide are more than adequate to broadly describe Aboriginal housing needs and compare them with those of the general Canadian population.

Findings

Housing Conditions On- and Off-Reserve

More than half (52 percent) of Aboriginal households reside in dwellings that fall below one or more of the housing standards. This compares to 32 percent of non-Aboriginal households. However, housing conditions are very different between Aboriginal households living on-reserve and those living off-reserve (Table 1).

**Table 1
Aboriginal Households Living Below Housing Need Standards and in Core Housing Need in 1991**

	Below Standards		In Core Need	
	Count	%	Count	%
Aboriginal Households	123,360	52%	Not Applicable	
On-Reserve	26,250	65%	Not Applicable	
Off-Reserve	97,100	49%	63,070	32%

On-reserve, nearly two-thirds of households (65 percent) live in housing that falls below at least one housing standard: 50 percent live in housing below the adequacy standard; 31 percent live in housing that does not meet the suitability standard; and 14 percent (of those which could be assessed) pay more than the amount prescribed by the affordability standard (Table 2). Many on-reserve households lack basic amenities, and one-quarter (25 percent) do not have adequate, functioning bathroom facilities.

**Table 2:
Aboriginal and Non-Aboriginal Households Living in Housing Below Standards, by On/Off Reserve Location, Canada, 1991**

Population & Location	Percentage Below Standards			
	Adequacy	Suitability	Affordability	One or More
Aboriginal Households				
On Reserve	50%	31%	14% *	65%
Off-Reserve	18%	17%	26%	49%
Non-Aboriginal Households				
Off-Reserve	9%	6%	22%	32%

* Applies only to the 41 percent of on-reserve households who rent or own their housing.

Core Housing Need Off-Reserve

The overall level of core housing need is similar for Aboriginal households living in urban areas and in rural areas, with about 32 percent of each group in core need. However, urban and rural households encounter different types of housing need. Urban Aboriginal households in core need are twice as likely as their rural counterparts to experience housing affordability problems but are less likely to experience adequacy or suitability problems (Table 3).

**Table 3:
Off-Reserve Households in Core Need, by Core Need Standard and Urban/Rural Location, Canada 1991**

Population & Location	Percentage Below Standards			
	Adequacy	Suitability	Affordability	One or More
All Aboriginal Off-Reserve Households	9%	9%	25%	32%
Urban	8%	7%	29%	33%
Rural	16%	12%	14%	31%

In both urban and rural areas, Aboriginal households are more likely to be in core housing need than non-Aboriginal households. In urban areas, Aboriginal households are almost twice as likely as non-Aboriginal households to be in core need and live in housing below the affordability standard. In rural areas, they are several times more likely to be in core need and to live in housing that falls below the adequacy and suitability standards. In both urban and rural areas, Aboriginal households are more likely than non-Aboriginal households to experience more than one type of housing need.

Geographic Variations

Housing conditions vary considerably in different parts of Canada. On reserves, the proportions of households living in dwellings that fall below one or more housing standards are highest in Manitoba (74 percent), Ontario (71 percent), and Saskatchewan (70 percent) (Figure 1).

Off-reserve, the incidence of core housing need depends on geographic location: 31 percent of households in the south are in need, 34 percent in the mid-north, and 45 percent in the far-north where there is a high incidence of core need among the Inuit.

Among the off-reserve Aboriginal population, Saskatchewan (46 percent), Yukon (44 percent), and the Northwest Territories (47 percent) have the highest proportions of households in core need, while Quebec (21 percent), Ontario (26 percent), and the Maritimes (28 percent) have the lowest proportions (Figure 2). Urban levels of core need are particularly high in Saskatoon (49 percent), Regina (45 percent), Vancouver (44 percent), and Winnipeg (41 percent). In rural areas, levels of Aboriginal core need are highest in Saskatchewan (54 percent), the Northwest Territories (47 percent), and Alberta (36 percent).

Figure 1:
Regional Distribution of the Incidence of On-Reserve Housing Below At Least One Housing Standard

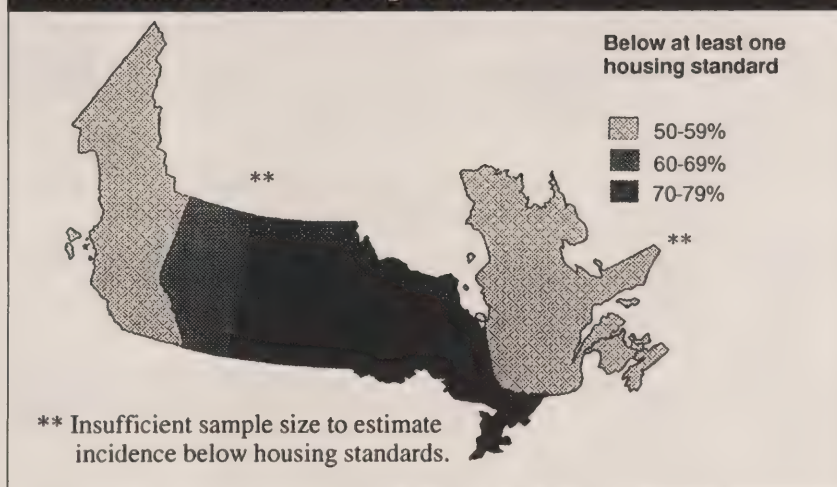
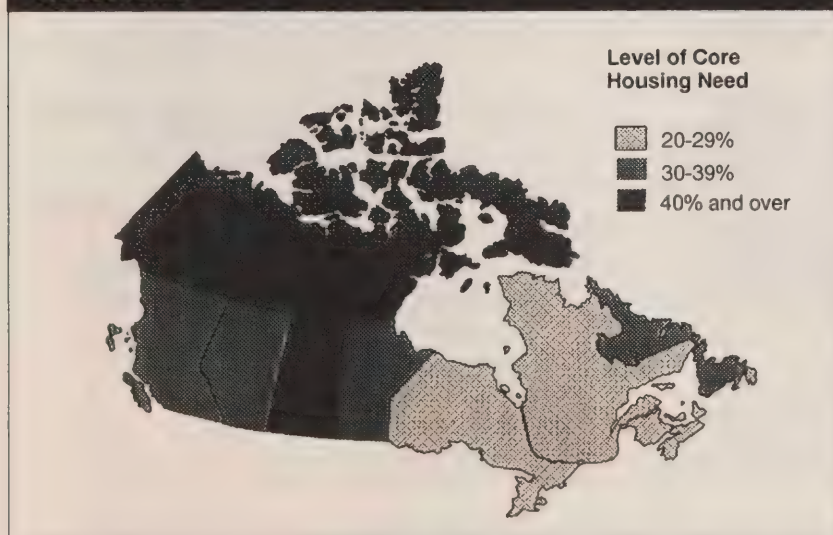


Figure 2:
Regional Distribution of Core Housing Need Among Aboriginal Households



Aboriginal Housing Needs Much Greater Than Other Canadian Households

Factors Affecting Conditions

The high incidence of poor housing conditions in Aboriginal communities is strongly related to a number of geographic, socio-demographic, economic, and health factors. Aboriginal households are often large and include many children and young adults, which leads to suitability (crowding) problems and, through wear and tear, adequacy problems. Aboriginal adults are twice as likely as non-Aboriginal adults to be moderately or severely disabled, which affects both their housing needs and their incomes. As a result, their housing often falls below both adequacy and affordability standards. And although Aboriginal households tend to be larger than non-Aboriginal households, their incomes are about 25 percent smaller, which contributes to greater affordability problems.

Other factors that affect the needs of Aboriginal households include the small size of homes on reserves, and the high cost of transporting housing materials to rural and remote areas. In addition, reserve housing often deteriorates rapidly due to extreme climates, poor construction, and the lack of money and skills for ongoing dwelling maintenance. In urban areas, many Aboriginal people, especially female single parents and people who are disabled, often rely on rental housing and fall into core housing need.

Conclusion

Housing needs are much greater among Aboriginal households than among other households in Canada and they vary considerably according to location. On reserves, Aboriginal people most often live in houses that are inadequate in condition or unsuitable in size, while in urban areas — and to a lesser extent, rural off-reserve areas — they most often encounter affordability problems. Aboriginal housing needs are greatest for residents of Saskatchewan, Yukon, and the Northwest Territories and, generally, in the north and mid-north areas of Canada.

Recommendations for Further Research

The national study of Aboriginal housing conditions concludes with the following recommendations:

- There is a need to examine how existing support mechanisms and organizations within the Aboriginal community can be strengthened to better address underlying problems of poverty.
- Aboriginal and non-Aboriginal peoples need to establish a better dialogue to develop solutions to common problems of housing and poverty.
- Researchers must continue to develop appropriate housing designs for rural and remote areas.
- Researchers must attempt to fill in remaining data gaps on Aboriginal housing.
- The ways in which housing can enhance the economic base in Aboriginal communities should be explored.

This issue of *Research & Development Highlights* has been produced as part of a concerted research program that aims to better understand Aboriginal housing conditions in Canada today. This work draws on comprehensive studies of Aboriginal peoples and their housing conditions across the country. These studies may be obtained from the Canadian Housing Information Centre, (613) 748-2367.

For further information about the contents of this highlight, contact Mr. John Engeland, Social and Economic Policy and Research Division, CMHC, (613) 748-2799.

Recent Research and Development Highlights

- Issue 17 The Long-Term Housing Outlook: Preliminary Projections, 1991-2015
- Issue 18 Housing Need in Canada's Metropolitan Areas, 1991 - Part 1
- Issue 19 Housing Need in Canada's Metropolitan Areas, 1991 - Part 2
- Issue 20 Resettling Cities: Canadian Residential Intensification Initiatives
- Issue 21 Housing Need in Metropolitan Areas, 1991: Canada's Aboriginal Peoples
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- Issue 24 The Migration and Mobility Patterns of Canada's Aboriginal Population
- Issue 25 Changing Values, Changing Communities: A Guide to the Development of Healthy, Sustainable Communities
- Issue 26 Infrastructure Costs Associated with Conventional and Alternative Development Patterns

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Research & Development Highlights

Socio-Economic Series

Issue 30

The Integrated Community: A Study of Alternative Land Development Standards

Introduction

Canada Mortgage and Housing Corporation (CMHC) recently completed a study entitled *The Integrated Community: A Study of Alternative Land Development Standards*. The paper was commissioned following the Alternative Development Standards workshop held in 1995 at the joint conference of the Canadian Institute of Planners and the American Planning Association.

The study defines development standards, discusses their original intent and their current relevance, analyzes the cumulative impact of development standards on urban form and community character, and proposes a set of principles for developing alternatives.

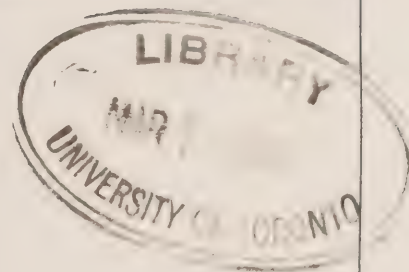
Key Findings

What are Development Standards?

Land development standards essentially control all aspects of development, determining gross and net residential densities, land-use mix, street geometrics, and parking and engineering requirements. The standards are contained within engineering manuals, municipal guidelines and zoning and official plan regulations.

The study distinguishes between: local development standards, which control aspects of development such as right-of-way and pavement widths on local roads, front- and side-yard setbacks, and lot servicing requirements; and regional, or community standards, which control aspects of development such as regional road dimensions, parkland requirements, land use patterns, and stormwater management.

Changes to development standards have an impact on urban form and community character, and more importantly, on housing affordability and infrastructure costs.



Cette publication est aussi disponible en français sous le titre *La collectivité intégrée : une étude des nouvelles normes d'aménagement foncier*.

There is a
consensus in the
literature on the
need to re-evaluate
current develop-
ment standards.

Changes to these standards have an impact on urban form and community character, and more importantly, on housing affordability and infrastructure costs.

What are the Issues?

While development standards evolved from a perceived need to ensure consistent levels of design, safety, and servicing, in many cases they have inadvertently enforced an overly rigid, "standardized" vision of community form and function. There is a consensus in the literature on the need to re-evaluate current development standards. The arguments are based primarily on demographic, economic, quality of life, and environmental concerns:

Demographic: Current standards, developed when nuclear families were the norm, tend to produce homogeneous developments that are unresponsive to today's demographic reality. More flexible standards that do not constrain innovative community design are now required to respond to a diversity of housing needs.

Economic: Current standards foster low-density, land-consumptive and car-dependent developments that are very expensive to service. In addition, generous engineering standards designed to reduce risk and liability are sometimes viewed as excessive when applied universally in all situations, further adding to development and housing costs.

Quality-of-Life: Conventional suburban developments are considered by many to be unattractive environments with no "sense of place." In recent years, many planners and engineers have been exploring alternative standards that can create more cost-effective developments, more affordable housing, and more livable, pedestrian-oriented communities.

Environment: High land absorption rates, car-dependence, and impacts on air and water quality are the primary environmental issues related to today's development patterns.

Case Studies

The paper reviews the evolution of standards and their impact on urban form and function, using examples of older urban areas and newer suburban developments in each of the following North American cities:

- Toronto/Markham, Ontario
- Calgary/Suburban Calgary, Alberta
- Portland/Suburban Portland, Oregon
- Ottawa/Kanata, Ontario

The findings are summarized in a series of matrices describing typical standards in each of the areas and the resultant urban form. Some general observations include:

- Historically, development in older urban areas significantly modified existing natural features. Major re-grading, filling of ravines, draining of wetlands and piping of major watercourses are examples of how the landscape was re-shaped to comply with imposed designs. The result is the standard, high-density urban grid so familiar today. While this pattern has some advantages (eg. improved transit/accessibility), the cost was the loss of natural areas.
- The tendency in newer suburban developments has been to treat natural areas more holistically—as systems. This is a worthwhile objective; however, the practice also tends to reduce the developable yield of a parcel of land, in turn reducing suburban densities and increasing development costs. The report notes that informed tradeoffs must be made between standards in different areas in order to satisfy competing objectives.
- In each of the urban case studies, stormwater runoff was treated as a waste disposal issue. Collection systems were constructed to convey storm runoff directly to watercourses with little regard for downstream impacts. This attitude was reflected in the pre-war practice of building combined sanitary and storm sewers which overflowed during heavy rains, discharging untreated sewage, along with stormwater, directly into watercourses. In more recent years, measures for providing some quality management of stormwater have been common in many jurisdictions. Stormwater management has been advanced in the planning process through watershed and subwatershed planning.
- Parks and open spaces in older urban areas are often disconnected pieces of largely obliterated natural systems. Generally, urban open spaces are smaller, but more numerous than their suburban counterparts. There is proportionately more open space in suburban areas and a more extreme distinction between “passive” and “active” parks.
- Urban schools are generally multi-storeyed and modest in land consumption. In the suburbs, schools are rarely more than two storeys and are very land consumptive. Parking lots and bus drop-off areas are significant land-consumptive design elements of suburban schools. Suburban schools often adjoin park sites, but their uses are not integrated.
- In urban areas, the street network is a much finer grain with a greater degree of connectivity. Conversely, there are fewer—but larger—major streets in suburban areas, forcing longer and more circuitous local trips. Urban setbacks are much smaller, therefore buildings have a much closer relationship to the street. Suburban development generally turns away from arterial roads, depriving these corridors of any commercial activity or human presence.

Informed tradeoffs

must be made

between standards

in different areas

in order to satisfy

competing

objectives

The Integrated Community

Drawing on the observations and lessons learned in the case studies, the paper concludes with a graphical representation of a hypothetical community, entitled the *Integrated Community*. The *Integrated Community* is a hybrid urban form that adopts successful elements from urban and suburban development patterns. Its design and function is based on principles such as:

Integration

- development standards must complement, or at least not conflict with, one another
- tradeoffs between different social, economic and environmental objectives must be explored

Flexibility

- alternative development control mechanisms such as performance zoning should be explored
- overly rigid, or over-standardized standards should be avoided (i.e. no "blanket" practices)

Diversity

- standards should encourage a diversity of buildings, land uses, design approaches and housing types
- standards should encourage adaptability

Efficiency

- standards should permit joint-use facilities (eg. school campuses/parks and schools/community centres)
- standards should permit multi-functional facilities (eg. open space/stormwater management)

The structure of the *Integrated Community* is organized around elements such as: *nodes* (i.e. accessible, higher-density

concentrations of development); *edges* (i.e. clear boundaries and transitional zones); and *connections* (i.e. built and green connections facilitating a high level of accessibility for people and wildlife).

The paper recommends a follow-up study which would use the above organizing elements and guiding principles as the basis for developing alternative regional standards.

To obtain a copy of this report, call the Canadian Housing Information Centre, (613) 748-2367. For further information, contact Mr. David D'Amour, Social and Economic Policy and Research Division, CMHC (613) 748-2325.

Recent Research and Development Highlights

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Housing Need among the Inuit in Canada, 1991

Introduction

Although government shelter assistance of various kinds has provided an affordable roof over the heads of a large proportion of Inuit households, many still reside in dwellings that are crowded and often below adequacy standards. This issue of *Research and Development Highlights* presents an overview of their housing situation and examines some of the root causes of their high level of housing need.

The Data

The information and data provided in this issue primarily come from special tabulations using two of the richest and most comprehensive information sources available for understanding the housing situation of Canadian Aboriginal people—the *Aboriginal Peoples Survey* and the 1991 Census. The housing standards of Canada Mortgage and Housing Corporation's core housing need model are applied to these data to assess housing need among the Inuit. Households whose housing does not meet one or more of the standards for adequacy, suitability or affordability and whose income is insufficient to afford rental housing that does meet standards are considered to be in core housing need.

Findings

The Overall Picture

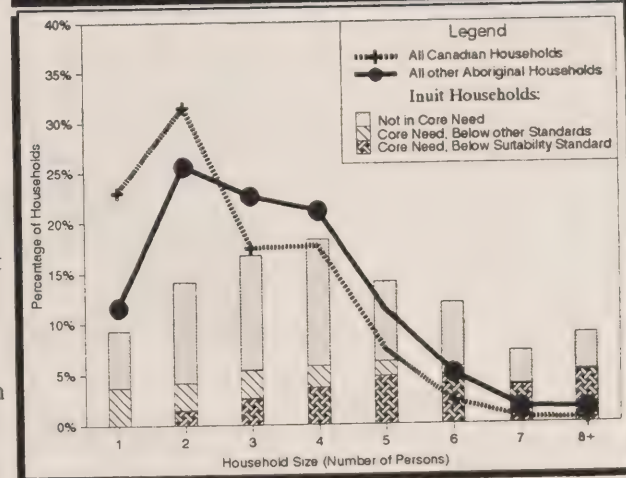
In 1991, there were 36,080 persons who identified as Inuit residing in 9,655 Inuit households. Forty percent of Inuit households are in core housing need and these households are home to 47% of the Inuit population.

The fact that a significantly higher proportion of Inuit people than Inuit households are in core housing need is a strong clue as to the main issue underlying their housing need—crowding. Inuit households are almost three times as likely as other Aboriginal households to be in core housing need and fall below the suitability standard and more than twenty times as likely as non-Aboriginal households to be in this situation. Overall, 26% of Inuit households are in core housing need and crowded.

Cette publication est aussi disponible en français sous le titre *Les besoins de logement chez les Inuit du Canada, 1991*.

**Crowding is
the major
problem for
Inuit
households.**

Figure 1: Proportion of Inuit, Other Aboriginal and Canadian Households by Size Showing Core Housing Need with Suitability Isolated for Inuit Households



Crowding is primarily related to large household size among the Inuit. Inuit households average 4.3 persons per household in contrast to 3.3 persons in other off-reserve Aboriginal and 2.7 persons in non-Aboriginal households. Figure 1 shows that a much larger proportion of Inuit households contain 5 or more persons. It also indicates that high proportions of these households are in core housing need and that crowding is a significant cause of core housing need.

Inuit households are larger and their housing crowded primarily for the following reasons:

- a very large proportion of Inuit households include children under the age of 15;
- short life expectancy in the past has resulted in relatively few older Inuit people who, in the population at large, tend to live in smaller households; and
- a culture that encourages extended families, combined with a shortage of housing in many northern and remote communities, has resulted in many extended households and a large proportion of households with children aged 15 and over.

These factors are particularly important among the 68% of Inuit households residing in small, rural communities¹, almost all of which are located in the Far North.² In these communities, 84% of Inuit households have children and 29% are extended. Core housing need is generally high in these communities and crowding a serious issue. For example, other studies have shown that crowded housing among the Inuit is a causative factor in the spread of disease which is often a cause of long-term disability. Irrespective of location, core housing need levels are even higher when extended households include either a person with a disability or a lone parent.

Economic Correlates of Core Housing Need

High levels of core housing need are very closely tied to low household incomes, particularly in the Far North where constructing and maintaining housing is expensive. For example, average household income in the Northwest Territories is only 61% that of non-Aboriginal households, and on a per-capita basis is only 44% that of non-Aboriginal people.³

Low household income is largely tied to the employment characteristics and education levels of non-senior Inuit adults. A minority of working-age Inuit are employed. Many who do work are in insecure semi-skilled and unskilled jobs. These circumstances exist mainly because a large proportion of non-senior Inuit adults have low levels of schooling and the Far North has a limited formal economic base. In addition, many Inuit in the Far North make their living at least partially through subsistence activities and trading in-kind which simply does not generate monetary income.

Remarkably, despite very low average household income, 10% overall and only 6% of Inuit in the Far North are in core housing need and spend 30% or more of their income for shelter. The low level of affordability problems is related to two factors: a very large number of Inuit households in the Far North find accommodations in subsidized housing; and the full cost of rent is provided to social assistance recipients in the Northwest Territories. However, low income does have a major impact upon the level of core housing because it restricts the housing choice of many Inuit to small, modest social housing. As a result, large families and many who double up because of a shortage of social housing stock often fall below today's housing suitability standard.

¹ *Rural* communities or areas are defined as those which had not attained a population concentration of at least 1,000 or a population density of at least 400 persons per square kilometre at the previous (1986) Census.

² *The Far North* is defined here as a region which covers the Yukon, Northwest Territories, Labrador, and roughly the northern half of Quebec.

³ Average per capita income is the average income available to each household resident.

Geographical Variations in the Incidence of Housing Need

Core housing need among the Inuit is highest in the Far North, where 77% of Inuit households and 90% of the Inuit population are located. There, 45% of Inuit households are in core housing need, in contrast to 24% of those residing elsewhere in Canada. Within the Far North, levels of core housing need vary considerably from region to region, ranging from a low of 29% in northern Quebec (Nunavik) to a high of 55% in the area soon to become Nunavut (see Figure 2). Within the Far North, core housing need also tends to peak in smaller, rural communities such as Nain, Arviat, and Rankin Inlet in contrast to larger centres such as Yellowknife, Iqaluit, or Inuvik.

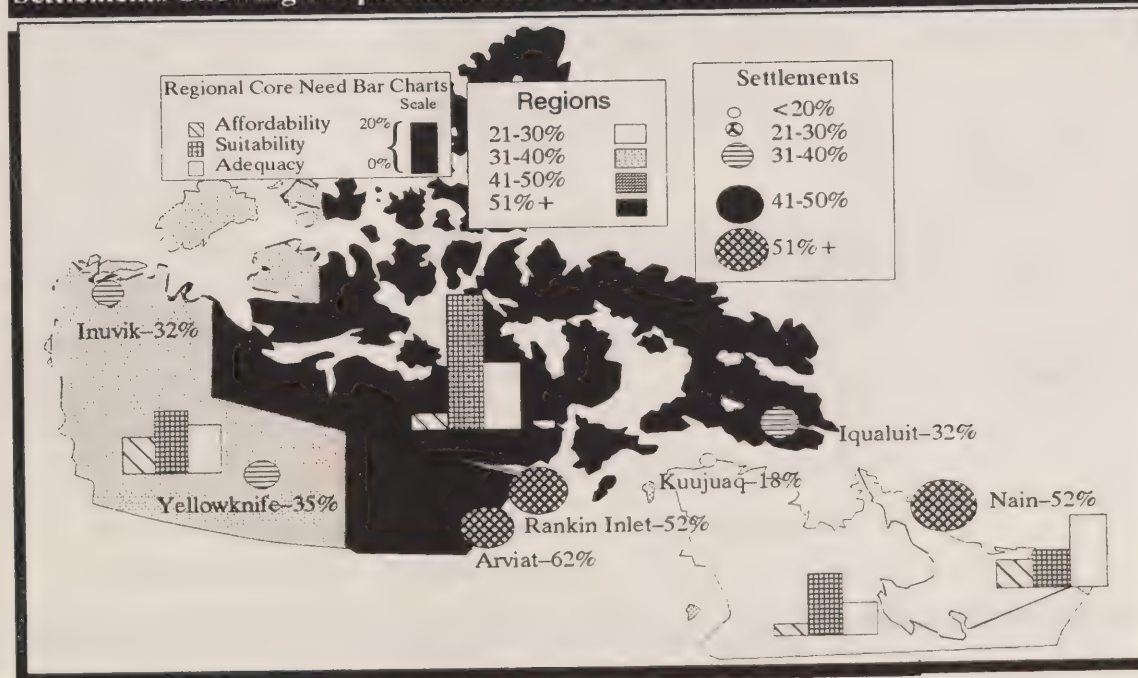
In the Far North, differences in the incidence of core housing need are largely tied to the prevalence of crowding. Crowding problems are most acute in rented accommodations, most of which is public housing. The Inuit predominantly rent in two regions in the far north—Nunavik (96%) and the future Nunavut (91%), but crowding problems are highly focused among Inuit renter households in the future Nunavut. There, 45% of renters are in core housing need and below the suitability standard.

In addition, 16% of Inuit households are in core housing need and below the adequacy standard, well above the 9% level among other Aboriginal people and six times higher than the proportion in the non-Aboriginal population. Almost all Inuit core need households below the adequacy standard are located in the Far North, primarily in smaller, rural communities.

In spite of being relatively new, almost a fifth of the Inuit housing stock in the Far North is below the adequacy standard. A number of factors account for this situation. Housing in the Far North often experiences premature deterioration due to the high levels of wear and tear that come with crowding. On top of this, extreme climatic conditions and the need to spend much of the year indoors accelerate the deterioration of housing materials, particularly in crowded dwellings. In addition, many dwellings become subject to wear and tear when the proceeds of hunting, fishing and gathering are processed in the home. Finally, outside of the social housing rental stock, low incomes coupled with high maintenance costs make upkeep extremely unaffordable.

**Core Need
Levels are
Highest
Among the
Inuit in the
Future
Nunavut.**

Figure 2: Core Need Levels among the Inuit by Region and Selected Inuit Settlements Showing Proportions Below Core Need Standards



In Labrador, a significant proportion of the housing stock is without the water and sewage disposal facilities required for adequate bathroom facilities. Unlike the other regions of the Far North, a large proportion of low-income Inuit households are owners in Labrador, reflecting the thrust of the federal Rural and Native Housing Program in the region. While the percentage of owners in core housing need (30%) is well below that of renters in the remainder of the Far North, it is twice that of Inuit owners in the remainder of the country. Seventy-seven percent of these Labrador Inuit owners in core housing need live in housing below the adequacy standard.

Conclusion

Large household size, an inadequate housing supply, and housing units that are often too small mean that 40% of Inuit households fall into core housing need because of serious and frequent crowding problems. Inuit households are also likely to be in core housing need and living in housing that, despite being relatively new, is in poor repair. Inuit housing is subject to high wear and tear due to crowded living conditions, the effects of climatic extremes, and the processing of hunting and gathering yields in the home. Many Inuit households of the Far North find their housing choices restricted. They live in housing that is crowded and in poor repair because they have low incomes and cannot afford to build or maintain housing which fully meets their needs. At the same time, few low-income Inuit are in core housing need and dedicate 30% or more of their income to shelter because a very large proportion of Inuit live in the only option available given their means—small, modest subsidized social housing.

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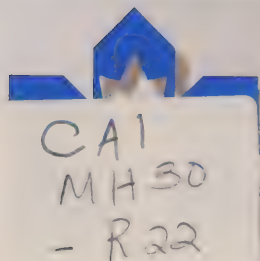
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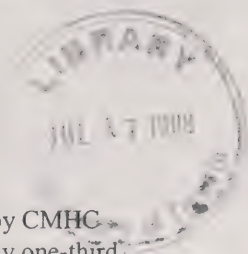
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Changing Working Conditions and Renter Core Housing Need in 1996



Introduction

Renter housing need increased in Canada during the 1991 to 1996 period. Recent estimates by CMHC indicate that by 1996 1.15 million renter households were in core housing need, approximately one-third more than in 1991, the last year for which similar estimates are available.¹ The objective of this research highlight is to examine how changing working and income conditions for renters have contributed to this rising level of need.

A household in core need is a household whose housing circumstances fall below one or more of the standards for adequacy, suitability and affordability and who would have to spend 30% or more of their household income to pay the average rent of alternative local market housing that meets standards.²

Findings

The Incomes of the Poorest One-Fifth of Canada's Households Have Been Declining

The increase in renter core need has occurred largely as a result of the changing income conditions of poor households, most of whom are renters. Figures in Statistics Canada's 1997 publication *Income Distribution by Size in Canada* clearly indicate that the poorest one-fifth of Canada's families are not reaping the benefits of recent economic growth. In 1996 alone, these families lost 3.0% of their total income because of drops in earned income and government transfer payments (social assistance, employment insurance payments, child tax benefits and pensions). Families in this quintile depend heavily on transfers (59% of their income in 1996) and female lone parent families account for one in four of these families.

Changing
renter working
conditions
result in
declining
incomes.

1 Due to differences between the 1991 and 1996 data bases, the methodology employed for calculating housing need in 1996 is slightly different from that used in 1991.

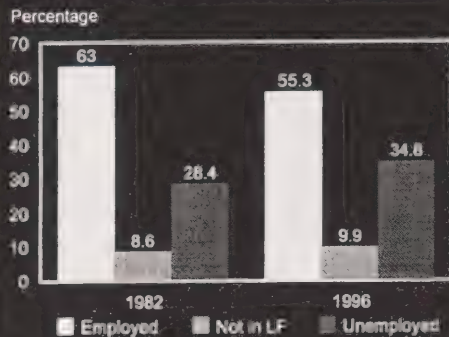
2 All estimates of 1996 renter housing need reported in this highlight are based on application of the following definitions of housing standards to data drawn from Statistics Canada's Household Income, Facilities and Equipment Micro-Data base for 1996:

- To be **adequate**, a dwelling must have full bathroom facilities and, according to its residents, require no major repairs.
- To be **suitable**, a dwelling must have enough bedrooms for the size and make-up of the occupying household, as defined by the National Occupancy Standard.
- To be **affordable**, total shelter and utility costs must consume less than 30 percent of household income.

Cette publication est aussi disponible en français sous le titre *Évolution des conditions de travail et des besoins impérieux de logement des locataires en 1996*.

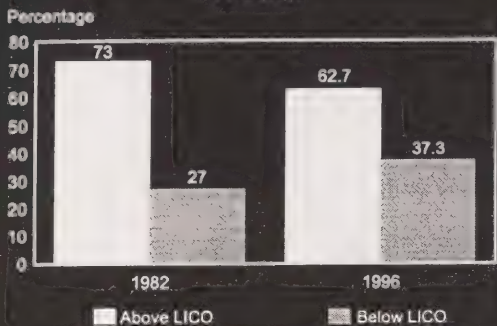
More Renters Are Unemployed, Working Part-Time or Not in the Labour Force

Graph 1: Changing Work Status of Renters



Looking at the trends for renters specifically, it is evident that deteriorating income circumstances are related to changing working conditions. During the 1982 to 1996 period, the proportion of renter households actively engaged in the labour force fell. Among those still active in the labour force, the proportion employed fell steadily as the proportion unemployed increased (Graph 1). The work status characteristics of those in the labour force also changed significantly. The proportion reporting that they had not worked in the past year rose from 23.6 to 33.1% of all labour force participants. Meanwhile, the proportion working full time dropped from 70 to 56.3%, while those working part-time increased from 6.4 to 10.6%. The Canadian Council for Social Development (CCSD) study, *The Changing Nature of Part-Time Work*, indicates that these part-time workers, growing disproportionately in number in comparison to full-time workers, lag behind in wages, benefits, and job security.

Graph 2: Changing Income Circumstances of Renters



The changing nature of their working conditions is having a noticeable affect on renters' income circumstances. For example, declining labour force participation has contributed to increased reliance on transfer payments. During the 1982 to 1996 period the proportion of renters reporting government transfer payments as their main source of income increased from 19.5 to 32.3%. As their ability to rely on work and investment income declined, an increasing proportion of renters fell below Statistics Canada's Low Income Lines (LICO)³ (Graph 2).

Labour Force Activity is a Key Determinant of Renter Housing Need

Renter households whose heads are not in the labour force, as well as those who are in the labour force but unemployed, are among those most likely to be in core housing need (Table 1). Part-time workers also experience much higher levels of need than full-time workers. Households with heads who work part-time have levels of need that are between two and three times as high as households with heads working full-time. Need varies considerably by the type of household as well. Need is much higher for renter households that are female-led than those that are male-led. Similarly, lone parent households are much more likely to be in need than couple households. Of all households, childless couples are the least likely to be in need (Table 1).

³ LICOs constitute income cutoffs that have been developed to identify households that would have to spend approximately 20% more of their income than would the average Canadian household to acquire the basic necessities of food, shelter and clothing.

Table 1: Percentage of Renter Households in Need by Labour Force, Work Status, and Major Source of Income: 1996

	Not in labour force	In labour force		Work status		Major income source	
		Unemployed	Employed	Part-time	Full-time	Govt. transfer	Non-Govt.
All households	44.3	47.6	16.9	40.1	15.1	58.3	15.7
Senior							
male	20.4	n/a	n/a	n/a	n/a	27.3	*
female	46.9	n/a	n/a	n/a	n/a	54.2	*
Family <65							
childless couple	31.0	*	6.9	*	6.1	60.6	6.8
with children	34.2	39.8	14.5	32.5	13.7	57.3	13.6
Lone parents							
total	69.5	67.8	28.6	58.0	25.0	74.8	26.6
female	70.1	66.9	30.7	60.8	25.2	74.8	27.9
Individuals							
male	49.4	50.5	16.2	32.2	16.2	69.9	16.4
female	55.3	52.1	24.6	43.8	20.8	68.1	23.6

Source: CMHC estimates based on Statistics Canada data.

n/a Category not applicable.

* Sample size is insufficient to support reliable estimates for this small group of households.

Renter Need Is Also Closely Linked to Source of Household Income

Core housing need varies substantially by the main source of income. In 1996, approximately 58% of all households dependent on government transfers were in core need compared to only 15.7% of those relying on salaries or investment income. For single parents, approximately 75% of those on transfer payments were in need. High levels of need were also experienced by individuals and couples dependent on transfer payments: nearly 70% and 60% respectively. Much lower levels of need were experienced by all types of households dependent on salaries or investment income (Table 1).

The average income of renters in core need in 1996 was \$14,600 compared to \$40,300 for those not in need. The average shelter cost-to-income ratio (STIR) was 47.4% for those in need compared to 19.9% for those not in need. The proportion of household income spent on shelter by those in core need is consistently high regardless of the type of household or labour force or work status characteristics, ranging from just over 40 to approximately 55%.

Affordability Is the Most Common Problem Facing Renter Households

Nationally 34.4% of all renter households spent 30% or more of their income on shelter in 1996. Within the subset of renter households experiencing core housing need, 93.8% spent 30% or more of household income on their shelter. On the other hand, only 12.8% of households in need lived in units that were inadequate while 13.2% lived in crowded dwellings. Affordability is undeniably the most important cause of housing need today.

Core need

renters spend

close to 50%

of their gross

household

income on

shelter.

Conclusion

Recent changes in the labour force have contributed to an increased level of housing need amongst renter households. Need has risen because renters, already prone to having low incomes, find their incomes deteriorating even further as they are faced with high rates of unemployment or more part-time positions. Some renter households are paying 50% or more of their household income for shelter.

This issue of Research and Development Highlights has been produced as part of a program of work under the direction of the Research Division of Canada Mortgage and Housing (CMHC). For further information about the contents of this highlight, contact John Engeland, Research Division, at (613)748-2799, or e-mail: jengelan@cmhc-schl.gc.ca

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Housing Need among North American Indians without Indian Status in Canada, 1991

Introduction

Twenty-two percent of Aboriginal people living off-reserve identify themselves as North American Indians but do not have Indian status under the *Indian Act*. These persons come from diverse backgrounds. Many older non-status Indians gave up their Indian status in order to pursue certain better paying careers or jobs. Others are descendants of those who through marriage were not able to pass on Indian status to their children. Some are persons now eligible under Bill C-31 who, as of 1991, had not applied for status, and a few are North American Indians, who, for one reason or another, never obtained Indian status and continue to live on their traditional lands.

The housing situation of non-status North American Indian people tends to be better than that of other Aboriginal people, but a sizeable gap remains between non-status Indians and other Canadian households. This difference can be explained largely by examining their demography, their educational and labour force characteristics and where most non-status Indian people live.

The Data

The information and data provided in this issue primarily come from special tabulations using two of the richest and most comprehensive information sources available for understanding the housing situation of Canadian Aboriginal people--the *Aboriginal Peoples Survey* and the 1991 Census. The housing standards of Canada Mortgage and Housing Corporation's core housing need model are applied to these data to assess housing need among non-status North American Indians. Households whose housing does not meet one or more of the standards for adequacy, suitability or affordability and whose income is insufficient to afford rental housing that does meet standards are considered to be in core housing need.

Findings

In 1991, an estimated 99,015 persons identified themselves as being North American Indians but were not registered under the *Indian Act*. These people resided in 44,985 households, 23% of all off-reserve Aboriginal households. Twenty-four percent of non-status Indian households are in core housing need, substantially below the 37% of other Aboriginal peoples living off-reserve. However, non-status Indian households remain much more likely to be in core housing need than non-Aboriginal Canadian households.

The level of
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households.

Cette publication est aussi disponible en français sous le titre *Les besoins de logement des Indiens nord-américains non inscrits au Canada, 1991*.



Figure 1: Proportion of Other Aboriginal, Non-status Indian and non-Aboriginal Population with Selected Characteristics

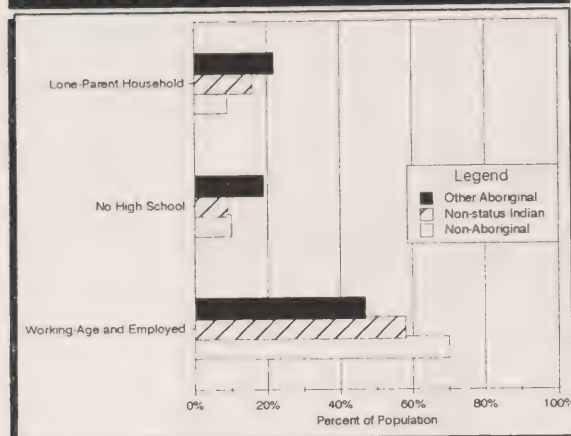
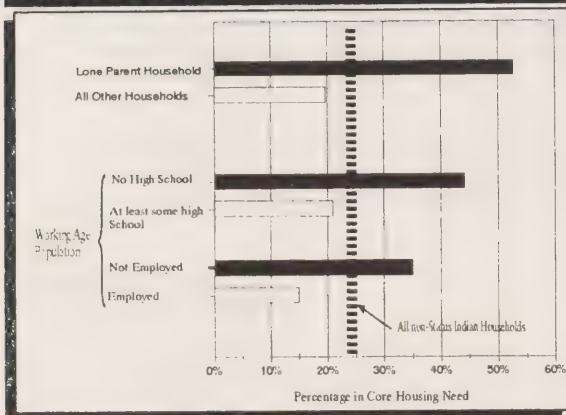


Figure 2: Level of Non-status Indian Core Housing Need by Selected Characteristics



Socio-demographic and Labour Force Influences on Core Housing Need

In terms of the socio-demographic and labour force characteristics that influence the likelihood of falling into core housing need, non-status Indian households and their members usually lie between non-Aboriginal and other Aboriginal households. For example:

- 18% of non-status Indian households include a lone-parent in contrast to 22% of other Aboriginal and 10% of non-Aboriginal households (see Figure 1). Lone-parent households are much more likely than other households to fall into core housing need. Fifty-three percent of non-status Indian households which include lone parents as members are in core housing need in contrast to 19% of those that do not. Non-status Indian lone parents in core housing need are largely women with low incomes who rent in urban areas. They primarily experience affordability problems.
- 12% of non-status Indian households are extended households in contrast to 17% of other Aboriginal and 4% of non-Aboriginal households. Aboriginal extended households are often formed by kin and persons from the same band or community who crowd together in order to afford shelter. The proportion of non-status Indian households that are crowded and in core need is half that (5%) of other Aboriginal people (10%). Still, non-status Indians are more than three times more likely to be in core housing need and crowded than non-Aboriginal households.
- 58% of working age non-status Indian adults are participating in the labour force compared to 70% of non-Aboriginal and the 47% of other Aboriginal adults. In particular, Figure 2 shows that core housing need levels are low among those who have found jobs—15% in contrast to 35% of those without employment.

In one key characteristic, non-status Indian adults closely resemble other Aboriginal adults. They are young—70% of non-status Indian adults are between the ages of 15 and 39 compared to 51% of non-Aboriginal Canadian adults. As in the Canadian population as a whole, a higher proportion of these younger adults have low incomes, rent their accommodations, and are in core housing need.

In another key characteristic they very closely resemble other Canadians. Non-status Indians tend to be relatively well educated—only 9% of working age adults have less than a high school education, in contrast to 10% of other Canadians and 19% of other Aboriginal people. Figure 2 shows that working-age non-status Indians with no high school are more than twice as likely to be in core housing need than those with high school or better.

It is thus not surprising that when income characteristics are examined, non-status Indian households again lie "in-between". In 1990, the average income of non-status Indian households was 90% that of non-Aboriginal households—but 118% that of other Aboriginal households.

Twenty-six percent were below Statistic Canada's Low-income Cutoffs, higher than the 19% of non-Aboriginal households but considerably lower than the 37% of other Aboriginal households. The economic circumstances of non-status Indians influence the proportion of households which can afford to own their homes. Non-status Indian households are more likely to own their dwellings than are other Aboriginal households (51% in contrast to 42%), but are still much less likely to own than non-Aboriginal households (67%).

Yet, non-status Indian people are not a homogeneous group. Especially large differences exist between younger and older working-age adults. A significant proportion of older working-age adults (50 to 64 years of age) are drawn from those who gave up their Indian status in order to pursue professional degrees or post-secondary schooling. In comparison with both other Aboriginal and non-Aboriginal people of the same age, a higher proportion remain in the labour force and a higher percentage of those employed are in better paying managerial and professional occupations. As a result, the average income of older working-age adults is very similar to that of other Canadian adults and the level of core housing need is low (20%) in comparison with other Aboriginal people.

Non-status Indian adults between the ages of 15 and 49 are also more likely than other Aboriginal people of the same age to have at least some post-secondary training, to be employed, and to work in better paying jobs. However, these differences are much less pronounced than they are for their older working-age counterparts. Moreover, much smaller proportions have these characteristics than non-Aboriginal adults in the same age group. In particular, young non-status Indian adults are much less likely than young non-Aboriginal adults to participate in the labour force largely because of a combination of barriers facing a high proportion (26%) with disabilities and a very high proportion (20%) who attend school full time.

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Geographical Variations in the Incidence of Housing Need

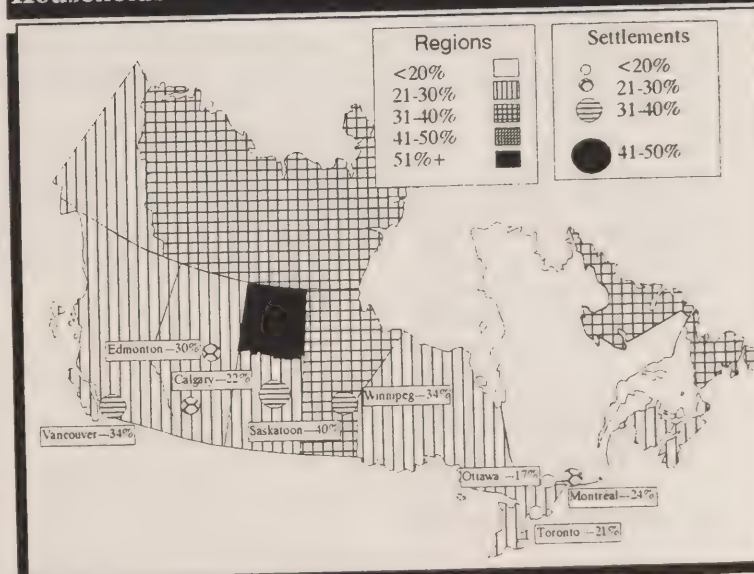
Overall, in every major region of the country, the proportion of non-status Indian households in core housing need is below that of other Aboriginal peoples—varying from a low of 19% in Québec to just over 39% in Saskatchewan.

The geographical distribution of non-status Indian households is very different from that of other Aboriginal people. A large majority live in Ontario and British Columbia/Yukon where, for the most part, housing conditions tend to be better for Aboriginal people. Reflecting the high proportion of the non-status population who reside in highly urbanized areas where housing costs tend to be higher, non-status Indian households that are in core housing need predominantly fall below the affordability standard.

In some pockets, however, core housing need is particularly high for non-status Indians. These pockets are located where core housing need is also very high for other Aboriginal households:

- the northern and remote areas of Labrador (36%) and northern Saskatchewan (64%) where a large proportion fall below adequacy standards; and

Figure 3: Levels of Core Housing Need by Selected Urban Areas and Regions, Non-status Indian Households



- the urban areas of Winnipeg (34%), Saskatoon (40%), Edmonton (30%) and Vancouver (34%) where almost all are below the affordability standard.

Vancouver is the only pocket that is home to a substantial part of the non-status Indian population. It claims one in nine of all non-status Indian core need households.

Conclusion

Non-status North American Indians are more likely to be in core housing need than non-Aboriginal people for many of the same reasons as other Aboriginal people. Adults tend to be young, many have a disability, and many are women raising a family alone. At the same time, a much smaller proportion of non-status Indians are in core housing need than are other Aboriginal people because most reside in parts of the country where housing conditions are generally better, they tend to be better educated and a larger proportion have well-paying jobs.

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Housing Need among Off-reserve Status Indian Households in Canada, 1991

Introduction

Core housing need is substantially higher for status Indian than other Aboriginal households in almost all areas of the country. Moreover, the majority of Aboriginal core need households include at least one person with Indian status. For those living in urban areas, housing need often stems from very low income and the need to dedicate high proportions of that income to shelter. In the northern and remote areas of the West, a significant proportion of households reside in dwellings that are crowded, in poor repair, and/or lacking in basic bathroom amenities.

The Data

The information and data provided in this issue primarily come from special tabulations using two of the richest and most comprehensive information sources available for understanding the housing situation of Canadian Aboriginal people--the *Aboriginal Peoples Survey* and the 1991 Census. The housing standards of Canada Mortgage and Housing Corporation's core housing need model are applied to these data to assess housing need among persons with Indian status. Households whose housing does not meet one or more of the standards for adequacy, suitability or affordability and whose income is insufficient to afford rental housing that does meet standards are considered to be in core housing need.

Findings

In 1991, an estimated 206,235 persons living off-reserve were registered as Indians as defined by the *Indian Act*. These persons with Indian status resided in 95,910 households, 49% of all off-reserve Aboriginal households. Thirty-six percent of status Indian households are in core housing need, substantially higher than the 28% of other off-reserve Aboriginal households. Status Indian households are about two and a half times more likely to be in core housing need than non-Aboriginal Canadian households.

Labour Force Characteristics and Core Housing Need

Low household income and high levels of core housing need are strongly related to the low proportion of working-age persons with Indian status who are employed. In 1991, only 44% of working-age persons with Indian status had a job, in contrast to 54% of other Aboriginal and 70% of non-Aboriginal working-age adults. Forty-eight percent of working-age status Indian

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Figure 1: Proportion of Status Indian, Other Aboriginal and non-Aboriginal Population with Selected Characteristics

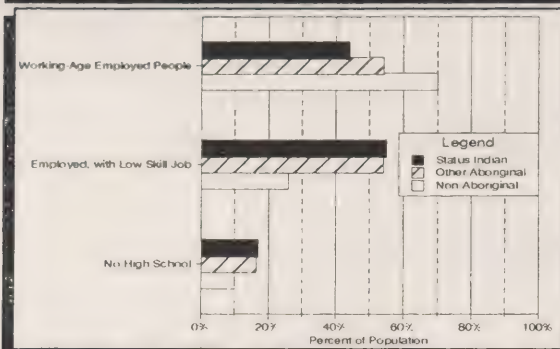
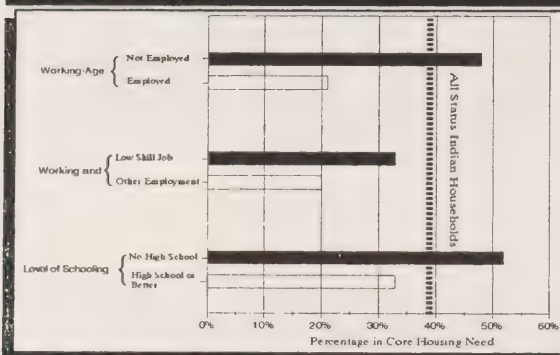


Figure 2: Level of Status Indian Core Housing Need by Selected Characteristics



Levels of status Indian housing need are higher than those of other Aboriginal people in almost all areas of the country.

adults without jobs are in core housing need, in contrast to 21% of those with employment.

Low labour force participation reflects the high proportion of working-age status Indians who are:

- young women raising children alone;
- persons with long-term health or activity limitations; and/or
- full time school attendees.

These persons make up approximately two thirds of status Indian working age adults without work.

Still, a large number of persons with Indian status are among the working poor. In particular, 55% of working people with Indian status have low-paying sales and service jobs or work as unskilled or semi-skilled labourers in contrast to 26% of non-Aboriginal working adults. A third of people with Indian status and these types of work are in core housing need in comparison to 20% of those with other types of jobs.

Occupation and labour force participation levels are strongly related to the level of schooling of working-age persons with Indian status. Irrespective of age, persons with Indian status are less likely to have reached high school or to have had any post-secondary schooling than other Canadians. Among non-senior adults who had not reached high school, 53% are in core housing need.

Urban Residence and Core Housing Need

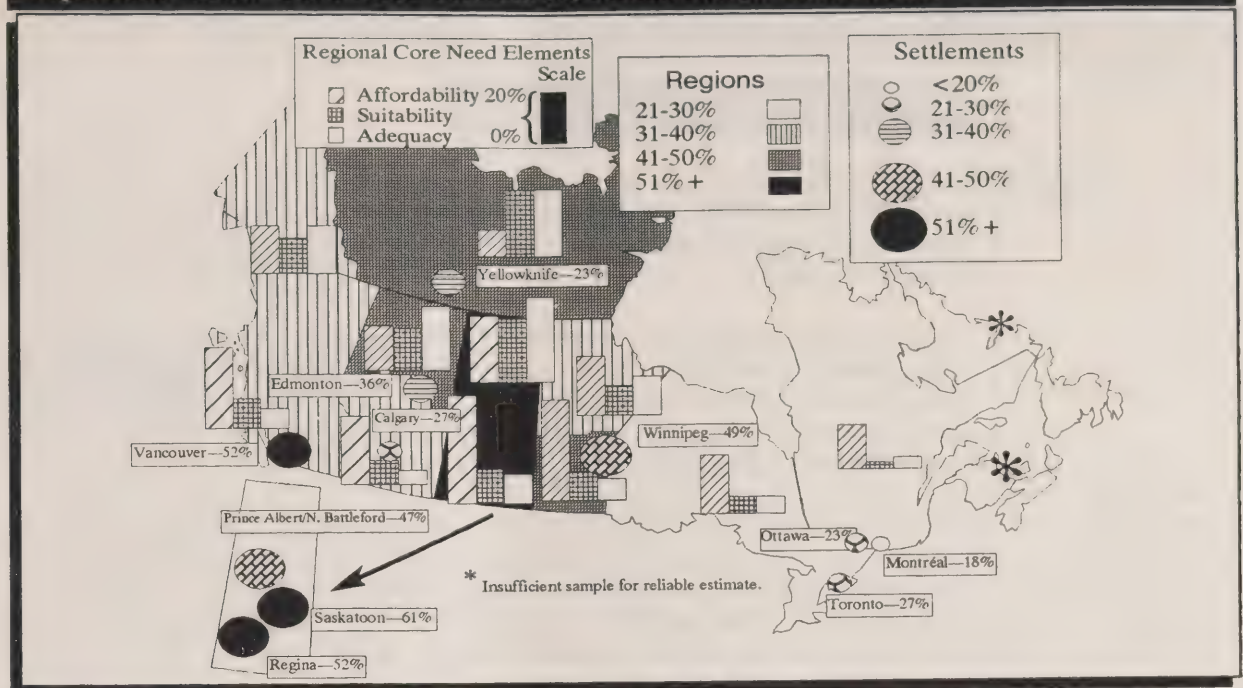
A higher proportion of off-reserve status Indian than other Aboriginal households are in urban areas (78% versus 70%) and there, status Indian households are more likely to be in core housing need (38% versus 31%). Core housing need among status Indian households in urban areas is tied to their low income. In 1990, their average household income was only 70% that of urban non-Aboriginal and 84% that of other Aboriginal households, and 44% were below Statistic Canada's Low-income Cutoffs. It is also linked to the very low income of the 25% of urban households that include a lone parent. The great majority of these lone parents are young women, 74% of whom are in core need households.

Most persons in urban areas with low income cannot afford homeownership, and so it is not surprising that two thirds of urban status Indian households rent. Almost half of these renters are in core housing need, 93% of whom are below the affordability standard. One in seven urban renter households is in core housing need and crowded but reflecting their low incomes, nine in ten of these also spend 30% or more of their income for shelter. A large proportion of crowded renters live in extended households, often formed because of a collective responsibility felt by many status Indian people to share housing with other band and/or community members in need.

Geographic Variations in the Incidence of Housing Need

Off-reserve status Indian households are more likely to be in core housing need than other Aboriginal households in all areas of the country except those heavily populated by the Inuit. Further, off-reserve status Indian households are more evenly spread out across the country than are other Aboriginal households.

Figure 3: Levels of Core Housing Need by Selected Urban Areas and Regions Showing Proportions Below Core Need Standards, Status Indian Households



Still, as is generally the case among other Aboriginal people, levels of core housing need are highest west of Ontario, peaking in the area stretching through southern Manitoba, all of Saskatchewan, northern Alberta, and the Northwest Territories (see Figure 3). Levels of core housing need are particularly high among status Indian households in this area's cities—Winnipeg, Regina, Saskatoon, Prince Albert/North Battleford, and Edmonton. Taken together, the average income of status Indian households in these cities is approximately 60% that of non-Aboriginal households and moreover, the majority have incomes which are below Statistics Canada's Low-income Cutoffs. These extremely low incomes more than counterbalance housing costs that are well under the national average. While most households in these cities own, over 80% of status Indian households rent and just under 6 of 10 of these renters are in core housing need.

In rural areas, the majority of status Indian households in core housing need are located in an area stretching over northern Saskatchewan, northern Alberta, and the Northwest Territories. In this area, well over half of status Indian households are in core housing need, most falling below adequacy and/or suitability standards. Here, core housing need has at its root:

- a mismatch between the size of much of the available housing stock and the needs of many larger family and extended households;
- many people do not have sufficient financial resources to pay the high ongoing cost of adequately maintaining existing housing in these remote areas; and
- a large proportion of dwellings that do not have access to the water and sewage facilities required for adequate bathroom amenities, a situation extremely rare in non-Aboriginal households in Canada.

These circumstances are shared with many other Aboriginal people located here both on- and off-reserve.

Figure 3 shows that a second peak in the level of core housing need occurs in the large status Indian community located in the Vancouver area. There, average housing costs are that much higher than in Prairie cities that they more than offset any potential benefits that could have been derived from slightly higher average status Indian household incomes.

Conclusion

A significantly higher proportion of off-reserve status Indian households are in core housing need compared to other Aboriginal households in almost all areas of the country. Moreover, status Indian households are approximately two and a half times more likely to be in core housing need than other Canadian households.

First and foremost, high levels of core housing need are tied to the high proportion of working-age adults without employment; and the very low proportion of people with jobs who have good-paying jobs. These employment characteristics, in turn, largely reflect the low levels of schooling received by many working-age adults, the high disability rate and the great many adults who are women raising young children on their own.

A large majority of off-reserve status Indian households are located in urban areas where a very high proportion have low incomes, are renters, and fall below the affordability standard. These circumstances are most prevalent in western cities. In rural areas, core housing need is concentrated in the remote area of northern Saskatchewan, northern Alberta and the Northwest Territories where those in housing need are in dwellings which are often in poor repair, lack basic bathroom amenities, and/or are crowded.

This issue of *Research and Development Highlights* has been produced as part of a concerted research program that aims to better understand Aboriginal housing conditions in Canada today. This work draws on comprehensive studies of Aboriginal peoples and their housing conditions across the country. For further information about the contents of this issue, contact John Engeland, Research Division, at (613) 748-2799 or e-mail: jengelan@cmhc.e-mail.com

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- Issue 36** Housing Need among the Métis in Canada, 1991

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Research & Development Highlights

Socio-economic Series

Issue 36

Housing Need among the Métis in Canada, 1991

Introduction

In some regards, residents of Métis households fare slightly better economically than other Aboriginal peoples. A greater proportion are employed and many work in better paying jobs. Yet average household income is only marginally higher than for other Aboriginal people and the proportion of households in core housing need is in line with that of all other Aboriginal people. This incongruity is partly explained by especially high levels of core housing need among the high proportion of Métis who are: lone parents, seniors living in rural areas, and/or persons with disabilities. It is also partly explained by geography. Most Métis households reside in the Prairies, with a significant minority living in more northerly and remote locales. These are precisely the areas where housing conditions are poor for a large proportion of all Aboriginal households.

The Data

The information and data provided in this issue primarily come from special tabulations using two of the richest and most comprehensive information sources available for understanding the housing situation of Canadian Aboriginal people--the *Aboriginal Peoples Survey* and the 1991 Census. The housing standards of Canada Mortgage and Housing Corporation's core housing need model are applied to these data to assess housing need among the Métis. Households whose housing does not meet one or more of the standards for adequacy, suitability or affordability and whose income is insufficient to afford rental housing that does meet standards are considered to be in core housing need.

Findings

In 1991, there were 131,260 persons who identified as Métis residing in 63,020 Métis households--just under a third of all off-reserve Aboriginal households. Thirty-two percent of Métis households are in core housing need, about the same proportion as other Aboriginal households, but more than twice the percentage of non-Aboriginal households.

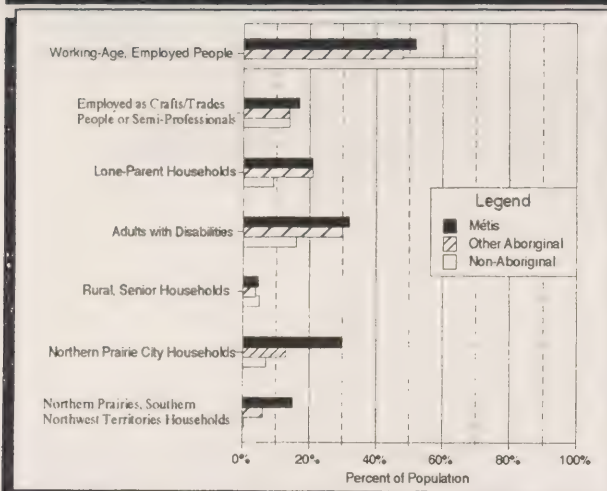
Socio-demographic and Labour Force Influences on Core Housing Need

In comparison with the non-Aboriginal population, the Métis face a number of disadvantages which lead to much higher levels of core housing need. They are much less likely to have any post-secondary schooling; they are much less likely to be employed; and when employed, they are much more likely to have low earnings. Further, families are far more likely to be headed by a lone parent, and working-age adults are twice as likely as non-Aboriginal adults to have a disability. Largely as a result, in 1990, household income for the Métis averaged only 80% of that of other Canadians, and Métis households were more than twice as likely as non-Aboriginal households to have low incomes.

Many Métis
in housing
need are lone
parents,
persons with
disabilities
and in rural
areas, seniors.

Cette publication est aussi disponible en français sous le titre *Les besoins de logement des Métis au Canada, 1991*.

Figure 1: Proportion of Métis, Other Aboriginal and non-Aboriginal Population with Selected Characteristics

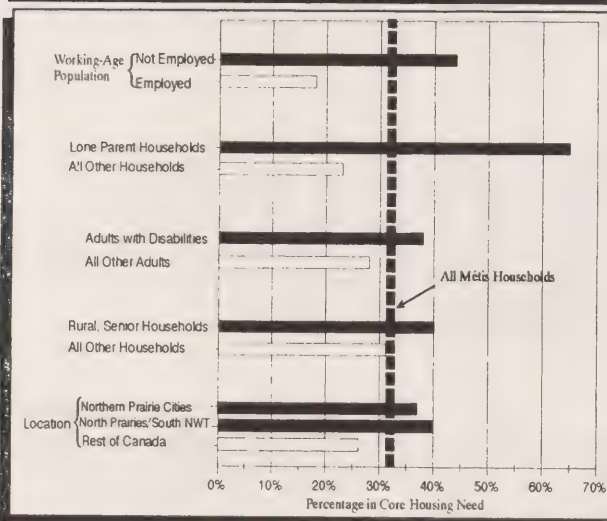


At first glance, Métis fare slightly better economically than other Aboriginal people. In 1990, their average household income was a marginal 2% higher than that of other Aboriginal households. At the same time, 2% fewer Métis than other Aboriginal households fell below Statistics Canada's Low-income Cutoffs.

However, about the same proportion of Métis and other Aboriginal households fall into core housing need. That the Métis incur this similar level of core housing need to some degree reflects a number of small off-setting socio-demographic and labour force differences in comparison to other Aboriginal people. On the positive side:

- Métis working-age adults are more likely to be employed (52% versus 48%) and those with employment are much less likely to be in core housing need than those without employment (18% versus 44%); and
- Higher percentages of Métis work as semi-professionals or as skilled crafts/tradespersons (17% versus 14%). Among them, core housing need is again lower at 16%.

Figure 2: Level of Métis Core Housing Need by Selected Characteristics



On the other hand:

- While similar proportions of Métis and other Aboriginal households include lone parents, Métis lone-parent households are more likely to be in core housing need (65% versus 60%). The great majority of Métis lone-parent households live in urban areas. There, they make up 22% of all Métis households but just under half (47%) of Métis households in housing need. Predominantly renters, the majority of these Métis lone parents are in core housing need and below the affordability standard.
- Thirty-two percent of Métis adults have disabilities, slightly above the 30% disability rate of other aboriginal adults. As among other Aboriginal people, levels of core housing need are higher among adults with a disability. Overall, 38% of Métis adults with a disability are in core housing need in contrast to 28% of those with no disability.

- Five percent of Métis households are led by seniors residing in rural areas, in contrast to 3% of other Aboriginal households. Forty percent of rural Métis senior households are in core housing need. The great majority (81%) of rural Métis seniors in core housing need own their home, and 9 out of 10 of these dwellings fall below the adequacy standard.

Geography and the Incidence of Housing Need

Thirty-two percent of off-reserve households are Métis. As 7 out of 10 reside in the Prairie Provinces they make up a majority of off-reserve prairie Aboriginal households. In this region, where Aboriginal housing conditions are particularly bad, Métis core housing need peaks in the north and in a number of larger cities (see Figure 3). Nonetheless, even in these pockets, as in the

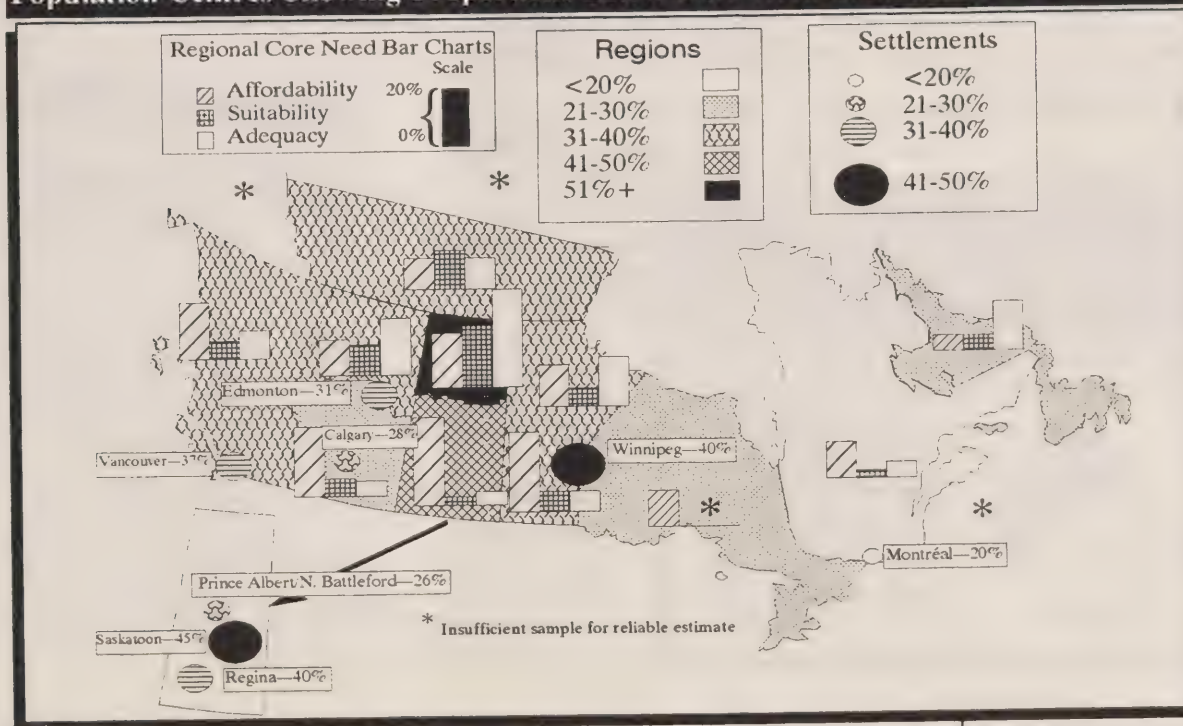
rest of the country, economic and housing circumstances among the Métis are never any worse, and are very often somewhat better than for their Aboriginal neighbours.

Thirty percent of Métis households reside in four Prairie cities—Winnipeg, Saskatoon, Regina, and Edmonton. In these cities, in 1990, although the incomes of Métis households averaged 10% higher than those of other Aboriginal households, they ranged from only two thirds to just over three quarters of those of non-Aboriginal households. As a result, despite the fact that Prairie urban shelter costs are among the lowest in Canada, the incidence of Métis core housing need still ranges from a low of 31% in Edmonton a high of 45% in Saskatoon. In these urban areas, Métis as well as other Aboriginal core need households predominantly rent and almost all are below the affordability standard. In addition, a small, but significant minority of renters in core need fall below both the suitability and affordability standards.

Another 15% of Métis households are located in the sparsely populated northern parts of the Prairie Provinces and the adjacent southern part of the Northwest Territories. There, they comprise two thirds of all off-reserve Aboriginal households and 40% of them are in core housing need. Housing adequacy is the most prevalent problem. While 26% of northern Métis households are in core housing need and below the adequacy standard, the problem peaks at 38% in northern Saskatchewan. This housing problem prevails even though a very large proportion of the stock in these areas is relatively new and subsidized through federal, provincial, and territorial housing programs. Climatic extremes, the high costs of transporting building materials to these remote areas and inadequate incomes to undertake needed maintenance all lead to the accelerated deterioration of many northern Aboriginal dwellings. As a result, high proportions of Canada's northern Métis households are in core housing need because their housing is in poor repair. Further, inadequate community water and sewage disposal facilities result in the absence of adequate bathroom facilities in a number of northern Aboriginal communities, a situation which is extremely rare to non-Aboriginal households in Canada.

High levels of core housing need occur in the Prairies where most Métis reside.

Figure 3: Core Need Levels in Métis Households by Region and Selected Métis Population Centres Showing Proportions Below Core Need Standards



In part of this area, a significant minority of households fall into core housing need and below the suitability standard. They live in crowded housing because of low incomes combined with a shortage of subsidized housing. The area of high suitability need stretches through northern Saskatchewan and Alberta to the adjacent southern Northwest Territories. There, 18% of households are in core need at least partially due to crowding. Crowding often leads to rapid housing deterioration and as a result, crowded core need households also often live below the adequacy standard.

Conclusion

In comparison to the non-Aboriginal population, the Métis face a number of disadvantages which translate into much higher levels of core housing need. They are much less likely to have any post-secondary schooling; they are much less likely to be employed; and when employed, much more likely to have low earnings. Further, a much higher proportion of families are headed by a lone parent and the disability rate among working-age adults is twice that of non-Aboriginal adults.

When the housing situation of the Métis is contrasted with that of other Aboriginal households, a number of small, but distinct differences emerge. In comparison to other Aboriginal people, a higher proportion of Métis working-age adults have the advantage of having found employment and many of these people are in relatively well-paying jobs. Core housing need among these people is relatively low. At the same time, however, higher proportions of the Métis are in core housing need because they have disabilities, are lone-parents or are seniors living in rural areas. Similar contrasts emerge as a result of Métis geography. In most parts of the country, Métis households are less susceptible to being in core housing need than their other Aboriginal neighbours. What seems to be an advantage, however, is off-set by the fact that most Métis reside in areas where the housing conditions of all Aboriginal peoples are likely to be at their worst—the larger urban areas of the northern Prairies, and the rural, remote areas stretching to their north and into the Northwest Territories.

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Housing Need among Off-reserve Aboriginal Lone Parents in Canada

Introduction

A great many Canadian lone-parent households have low incomes and are in housing need. However, low income and housing need are the norm in Aboriginal lone-parent households. This issue of *Research and Development Highlights* presents an overview of their housing situation and explores some of the causes of their housing need. Particular attention is devoted to younger women living in urban areas since their housing problems tend to be most serious.

The Data

The information and data provided in this issue primarily come from special tabulations using two of the richest and most comprehensive information sources available for understanding the housing situation of Canadian Aboriginal people—the *Aboriginal Peoples Survey* and the 1991 Census. The housing standards of Canada Mortgage and Housing Corporation's core housing need model are applied to these data to assess housing need among Aboriginal lone-parent households living off-reserve. Households whose housing does not meet one or more of the standards for adequacy, suitability or affordability and whose income is insufficient to afford rental housing that does meet standards are considered to be in core housing need.

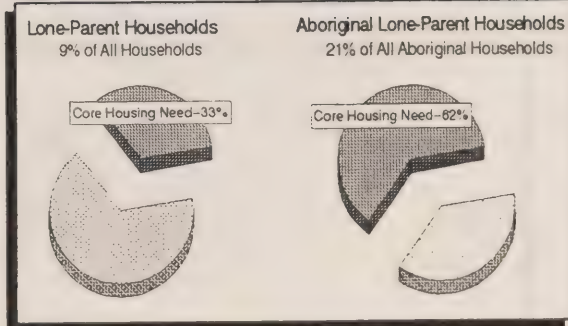
**62% of
Aboriginal
lone-parent
households
off-reserve
are in core
housing need.**

Findings

The Overall Picture

Aboriginal households residing off-reserve are more likely than other Canadian households to both include a lone parent and to be in core housing need. Figure 1 shows that in 1991, more than one fifth of Aboriginal households residing off-reserve were headed by a lone parent, and 62% of Aboriginal lone-parent households were in core housing need. Overall, 40,355 Aboriginal lone-parent households resided off-reserve in 1991; of these, 24,940 were in core housing need. Core housing need levels are especially high among the great majority of Aboriginal lone parents who are women, under the age of 55, living in cities and towns. Seventy-two percent of these lone mothers are in core housing need: they make up three-quarters of all Aboriginal lone parents in core need.

Figure 1: Incidence and Level of Core Housing Need in Lone-parent Households in Aboriginal and All Canadian Households



Cette publication est aussi disponible en français sous le titre *Les besoins de logement des familles monoparentales autochtones hors réserves au Canada*.

Aboriginal
lone-parent
household
income
averages a
third that of
other
Canadian
households
and 60%
have low
incomes.

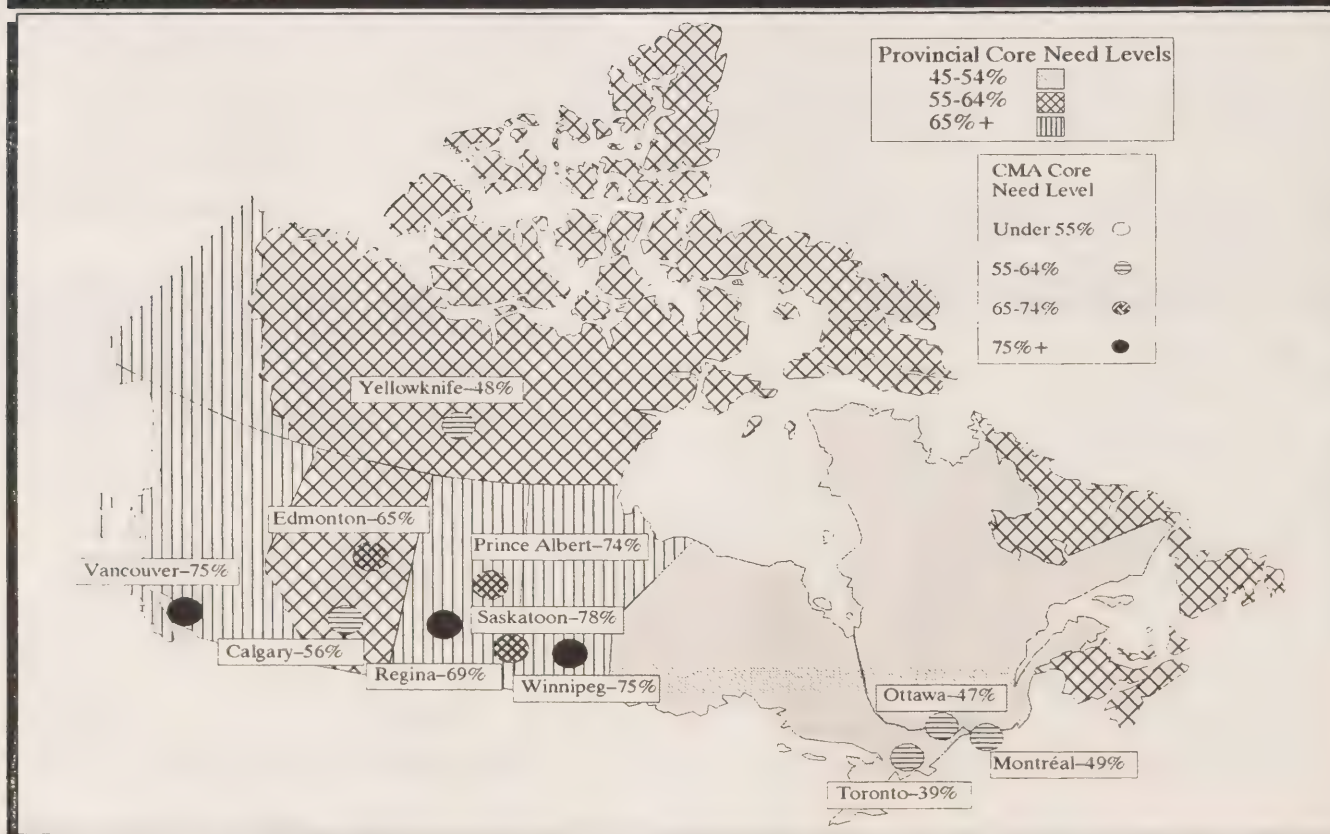
Socio-Economic Factors Affecting Housing Need

Aboriginal lone-parent households are more susceptible to core housing need primarily because of very low incomes. Their average household income is two fifths that of other Aboriginal households and only one third that of other Canadian households. Well over three in five are below Statistics Canada's Low-Income Cutoffs. These statistics reflect low levels of labour force participation, a predominance of women working in low-paying occupations, gender-related wage gaps and also very often, the presence of a single income earner. Only a third of non-senior Aboriginal lone parents are employed, and among this group, a large minority have found work in low-paying sales and service jobs. Low levels of labour force participation and poor paying jobs are in turn related to low levels of educational attainment among many Aboriginal lone parents as well as high proportions who are young and raising small children.

Other Factors Influencing Housing Need

All across the country, large proportions of Aboriginal lone-parent households are in core housing need—varying from a low of just under half in Quebec to a high of 72% in Saskatchewan (Figure 2). The highest levels of core need among Aboriginal lone-parent households are found in the urban areas of Manitoba, Saskatchewan and British Columbia—peaking in the cities of Winnipeg, Saskatoon and Vancouver. In all Manitoba and Saskatchewan cities, low income is the predominant factor. In Vancouver, higher incomes are more than off-set by very high housing

Figure 2: Core Housing Need Levels for Lone-parent Households By Region and Large Census Metropolitan Areas



costs. While lone-parent households are less common in rural areas and levels of core housing need are lower, they still make up one in six of all rural Aboriginal households and one quarter of those in core housing need.

Core housing need levels are particularly high among status Indian and Métis lone-parent households (64% and 65% respectively). Women who have Indian status are also much more likely to be lone parents than are other Aboriginal people. Both Status Indian and Métis lone parents are heavily concentrated in the urban areas of Manitoba, Saskatchewan and British Columbia. In rural areas, very large proportions of Inuit lone-parent mothers are in core housing need (72%), reflecting the vast majority living in low-income and crowded, extended family households. Levels of crowding are most serious in the Northwest Territories where just under half of lone-parent Inuit households are in core housing need and below the suitability standard.

Seventy-seven percent of Aboriginal lone-parent households rent and 69% of these households are in core housing need. Still, even among lone-parent households which own, 38% are in core housing need. The highest levels of core housing need in the country (just over 80%) are found among young female Aboriginal lone parents living as renters in the urban areas of Winnipeg, Saskatoon, Prince Albert and North Battleford, and in Vancouver.

Elements of Housing Need

Just over half of Aboriginal lone-parent households are in core need because they have low incomes and spend 30% or more of their income for shelter (see Figure 3). A further 22% of lone-parent households are in core need and crowded. A majority of core need households that are crowded also experience affordability problems. Many Aboriginal lone parents accept the crowding resulting from sharing accommodations with others in order to pool economic resources to pay for shelter. Affordability, and often commensurate, suitability problems, are most common among urban renters. Just under two thirds of urban renters are in core housing need and experiencing affordability problems. More than a quarter of urban renters fall below multiple standards; in most cases, affordability and suitability.

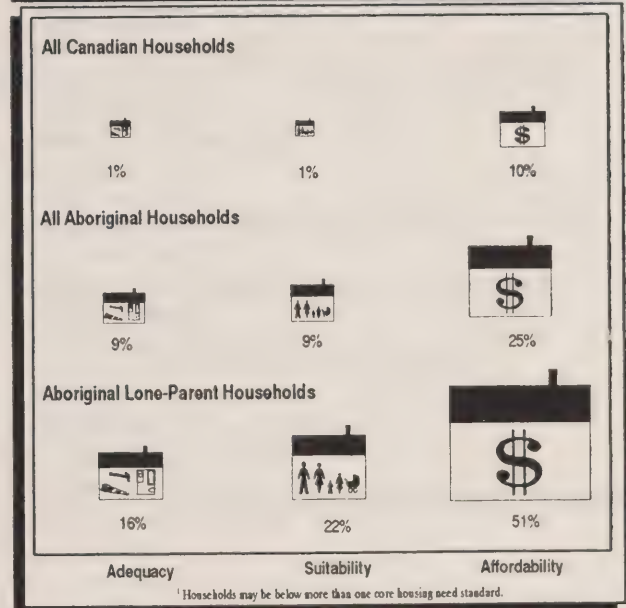
Conclusion

Aboriginal lone-parent households are very likely to be in core housing need. The high likelihood of their being in need is primarily the result of low incomes that stem from inequities experienced in the labour force and elsewhere by women and Aboriginal people in general. These inequities are amplified by low levels of schooling, and the inability of many to enter the labour force because of child-rearing responsibilities. It is thus not surprising that affordability is a predominant problem.

Irrespective of the area of the country in which they reside, extremely high proportions of Aboriginal lone-parent households are in core housing need. In urban Manitoba, Saskatchewan, and British Columbia, where most Aboriginal lone-parent households are located, core housing need affects more than seven of ten households overall, and eight in ten of those renting.

**51% are in
core housing
need and
below the
affordability
standard.
22% are in
core need
and crowded.**

Figure 3: Incidence of Households Below Specific Standards¹ and in Core Housing Need, All Canadian, Aboriginal, and Aboriginal Lone-parent Households



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Research & Development Highlights

Socio-Economic Series

Issue 33

The Housing and Socio-Economic Conditions of Immigrant Families: 1991 Census Profile

Introduction

Shelter requirements and conditions vary by type of family. This research highlight draws on unpublished data from the 1991 Census of Population to profile the housing conditions of Immigrant Families. Not a great deal is known about their housing needs, although there is a strong perception that they experience housing problems.

An **Immigrant Family** refers to a family (lone-parent or couple-led) living in a private household where at least one member of the family is, or has been, a landed immigrant to Canada. A landed immigrant is a person who has been granted the right by Canadian immigration authorities to live permanently in Canada.

This report examines only the 1,602,745 immigrant families (82.7% of all immigrant families) who maintain their own households and have no additional persons living with them. Of the remaining 335,445 immigrant families, 80 percent share their housing and household expenses with other individuals and 20 percent share with other families.

Special mention should be made of the 65,000 who share with other families to form "multiple immigrant family" households, or households of two or more families of which at least one is an immigrant family. By sharing, they achieve higher household incomes than single immigrant families (\$80,947 compared to \$54,855), and higher levels of home ownership (83.7% compared to 74.4%), and they live in dwellings of higher average value (\$236,983 compared to \$197,766). Fewer also spend 30 percent or more of their income on shelter (17.4% compared to 20.2%), and only 6 percent are low income households compared to 13.8 percent of single-family immigrants.

Demographic Profile

In 1991, 26.3 percent (1,938,190) of all Canadian families had at least one member who had immigrated to Canada. The 1,602,745 immigrant families who did not share their accommodation consisted of 1,461,360 (89.7%) couple-led families and 141,385 (10.3%) lone-parent families. Of the couple-led families, just over half (55.4%) have at least one child living at home.

**Recent immigrants
have higher mobility
rates, higher
unemployment rates
and lower incomes
than long-term
immigrants.**

Cette publication est aussi disponible en français sous le titre *Les conditions socio-économiques et de logement des familles immigrantes - Profil tiré du Recensement de 1991*

**Recent
immigrants are
three times as
likely to have low
incomes as long-
term immigrants.**

Immigrant families are somewhat older than non-immigrant families. While a majority of both still have children living at home (53.5% compared to 64.3%), more immigrant families report their children at home to be all 18 years of age or older (28.7% compared to 22%), fewer report their children at home to be all younger than six (15.0% compared to 21.4%); and more are likely to have three or more children living at home.

In 1991, 93 percent of immigrant families lived in Canada's four most populous provinces, compared to 80.9 percent of non-immigrant families. The highest concentrations of immigrant families were in Ontario and British Columbia. Immigrant families are also very urbanized, with 52.4 percent living in Canada's three largest cities (Toronto, Montreal and Vancouver). In Toronto, immigrant families form the majority of families (58.5%).

Socio-Economic Profile

In 1991, roughly one-quarter of Canada's immigrants had arrived during the preceding decade. These more recent arrivals exhibit different characteristics from those who have been settled longer in Canada.

Immigrant families display similar mobility rates to non-immigrant families. Over the five years ending in 1991, 44.7 percent of immigrant families moved, compared to 45.2 percent of non-immigrant families (Table 1). However, recent immigrant families moved more than twice as often as long-term immigrants over the five-year period.

Educational attainment is more polarised for immigrant couples and lone-parent families than for their non-immigrant counterparts. While a higher percentage of immigrants have university degrees than non-immigrants, there is also a higher proportion with less than Grade 9 education.

Recent and long-term immigrants exhibit different labour force characteristics. Unemployment rates, for example, are substantially higher for recent immigrants. In 1991, 13.0 and 16.8 percent of recent immigrant husbands and wives respectively were unemployed. The equivalent figures were 7.7 and 10.1 percent for all immigrants and 7.4 and 9.3 percent for non-immigrants. Recent immigrant lone parents are most likely to be unemployed (21.1%) compared to 13.5 percent of lone-parent non-immigrant families.

Overall, average 1990 income was slightly higher for immigrant (\$54,855) than non-immigrant (\$51,170) families. Recent immigrant families have lower incomes (\$39,613) than do long-term immigrants (\$58,219) who have had more time to adjust to the Canadian labour market (Table 1).

Table 1: Socio-Economic Characteristics of Immigrant Families

	Non-Immigrant	Immigrant	Recent Immigrant	Long-Term Immigrant
MOBILITY				
Moved Past Year	14.5%	13.1%	31.3%	9.0%
Moved Past Five Years	45.2%	44.7%	83.4%	36.1%
AVERAGE INCOME	\$51,170	\$54,855	\$39,613	\$58,219
INCIDENCE OF LOW INCOME	12.1%	13.8%	35.1%	11.0%

Like two-thirds of non-immigrant families, the vast majority (62.7%) of immigrant families rely on two incomes. Moreover, 27.4 percent of long-term immigrant families report three or more incomes, compared to only 16.8 percent of non-immigrant families. Over one-fifth (22.4%) of recent immigrant families, though, depend on just one income, more than either their non-immigrant (16.4%) or long-term immigrant counterparts (11.4%). Not surprisingly, 35.1 percent of recent immigrant families have

low incomes (below Statistics Canada's LICOs) compared to 12.1 percent of non-immigrant families and 11 percent of long-term immigrant families (Table 1).

Housing Profile

As illustrated by Figure 1, immigrant families are slightly more likely to own their housing than non-immigrant families. While only 42.8 percent of recent immigrant families own, over the long term a very high proportion of them (80.9%) become owners (Figure 1).

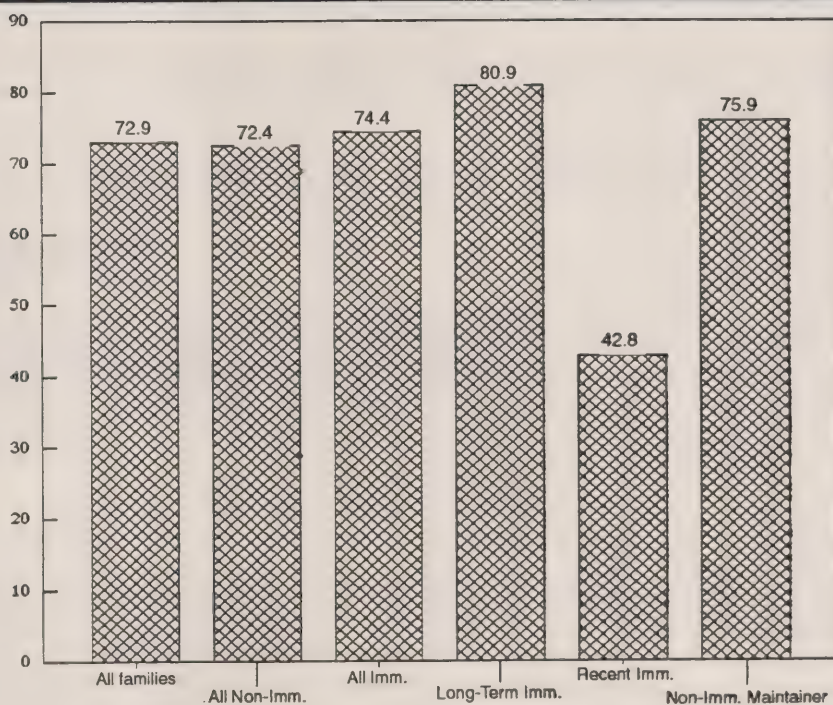
Like non-immigrant families, immigrant families who own are more likely (78.7%) to own single detached housing, while those who rent are more likely to live in apartment-style dwellings (69.2%).

Although 25 percent of recent immigrant families live in crowded dwellings, this is largely a transitory condition, as only 6.8 percent of long-term immigrant families lack sufficient bedrooms.¹

Immigrant families also live in dwellings in relatively good condition, compared to Canadian families in general. In 1991, 6.2 percent stated they occupied dwellings needing major repairs, compared to 8.6 percent and 11.6 percent of young-couple and lone-parent families in general. Although renters comprise only 25.5 percent of immigrant families, they constitute 36.8 percent of immigrant families living in dwellings in need of major repairs.

Housing affordability is more of a challenge for immigrant families than is either crowding or adequacy. Only 17.6 percent of all immigrant family owners pay 30 percent or more of their income for shelter, but this figure rises to 40.7 percent for recent immigrants. In comparison, only 16.1 percent of owner families led by long-term immigrants and 13.5 percent of immigrant families led by non-immigrant maintainers spend more than the norm for shelter. Among those spending more than the 30 percent norm, recent immigrants are more likely to be low income – 34.2 percent compared to 28 percent of families with long-term immigrant maintainers and 17.9 percent of those led by non-immigrant maintainers.

Figure 1: Homeownership Rate of One-Family Households by Immigrant Status of Primary Household Maintainer, Census 1991



¹ Housing standards that reflect today's societal expectations are based on suitability, adequacy and affordability.

Suitability is based on the *National Occupancy Standard* which sets requirements for the specific number of bedrooms for each household based on its size and composition. Households that live in dwellings with less than the required number of bedrooms are considered to be crowded.

Adequacy requires that a dwelling must possess all basic plumbing facilities and require only regular upkeep and maintenance.

Affordability states that a household should not be required to spend 30 percent or more of its income to acquire shelter that is suitable and adequate.

Renter immigrant families are almost twice as likely as their owner counterparts to spend 30 percent or more of their income for shelter. Almost one-third spend more than the norm, and 70 percent of these are low income households. Again, recent immigrants face the most difficult circumstances: 41.6 percent spend 30 percent or more of their income for shelter compared to 28.6 and 22.1 percent of long-term immigrant and non-immigrant households. Just over 80 percent of those recent immigrant renter households have low incomes, compared to 63.4 percent of families with long-term immigrant maintainers and 56.2 percent of those led by non-immigrant maintainers.

When owners and renters who live below the individual standards of suitability, adequacy and affordability have insufficient incomes to afford rental housing which meets standards, they are identified as being in core housing need.

Overall, immigrant family households are slightly more likely (12.2%) to experience core housing need than non-immigrant families (10.6%) (Table 2). Recent immigrant families are three times more likely to be in core need than long-term immigrants (31.8% compared to 9.8%). Recent immigrant lone-parent families are the most susceptible of all families to housing need: – 65.1 percent compared to 31.2 and 39.7 percent for long-term lone-parent immigrants and non-immigrant lone-parents respectively.

Like their non-immigrant counterparts, immigrant renters are five times more likely than owners to be in core need. In fact, three-quarters of recent immigrant families in core need are renters. About two of every five recent immigrant renters are in core housing need compared to one in four long-term immigrant renters (Table 2).

Table 2: Immigrant Families in Core Housing Need

	Couple Families	Lone Parents	All Families	Owners	Renters
	%	%	%	%	%
Non-Immigrant Families	6.5	39.7	10.6	5.0	24.9
Immigrant Families	9.8	37.1	12.2	6.5	29.0
Recent	27.4	65.1	31.8	17.1	43.1
Long-Term	7.4	31.2	9.8	6.1	25.4

Lone-parent immigrant renters are the most likely to be in core need. Of the 16,535 recent immigrant lone parents in need, 14,640 are renters living on an average annual income of less than \$13,000.

In conclusion, the housing conditions of immigrant and non-immigrant family households are generally very similar.

Though immigrant households overall are well housed, upon first settling in Canada they experience significantly higher levels of housing need. Those that rent, and particularly single-parent immigrant households face very difficult housing circumstances.

This highlight presents some of the findings from a joint CMHC/Statistics Canada research paper, **Lone Parents, Young Couples and Immigrant Families and Their Housing Conditions: A 1991 Census Profile**. To obtain a copy of this paper, call the Canadian Housing Information Centre, (613) 748-2367. For further information, contact Mr. John Engeland, Research Division CMHC, (613) 748-2799 or E-Mail: jengelan@cmhc.e-mail.com

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- Issue 32** **The Housing and Socio-Economic Conditions of Young-Couple Families: 1991 Census Profile**

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Research & Development Highlights

Socio-Economic Series

Issue 32

The Housing and Socio-Economic Conditions of Young-Couple Families: 1991 Census Profile

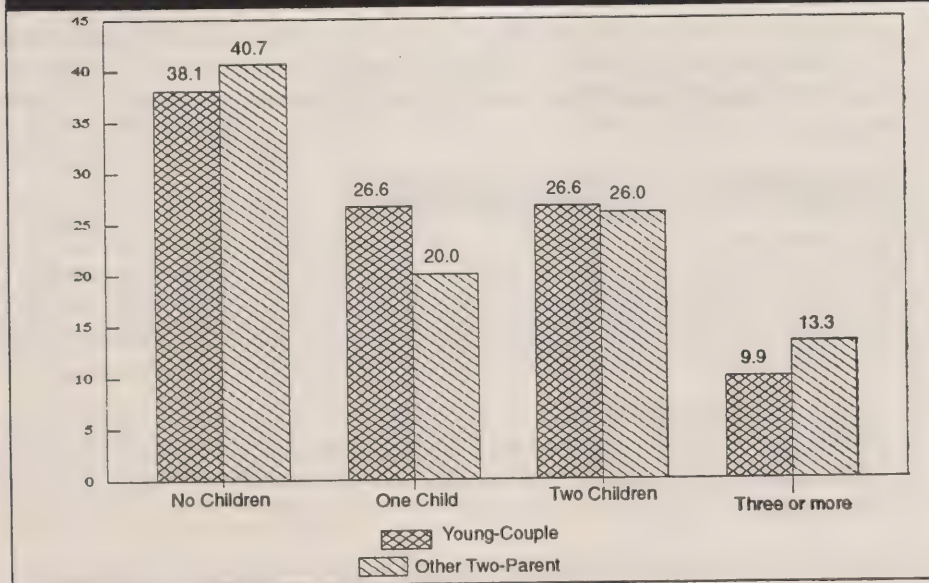
Introduction

Shelter requirements and conditions vary by type of family. This research highlight draws on unpublished data from the 1991 Census of Population to profile the housing conditions of Young-Couple Families. It identifies those raising their children in rental housing as being most likely to experience housing problems.

A **Young-Couple Family** is a couple (married or common-law, without children or with children who have never married) in which both spouses are younger than 35. They are in the child-rearing, early career years of the family life cycle. This research highlight examines only those young-couple families who maintain their own households and have no additional persons living with them. There were 1,330,120 of these young-couple families enumerated by the Census in 1991, and they comprised 20.6 percent of all couple-led families who did not share their accommodation with other persons.

Demographic Profile

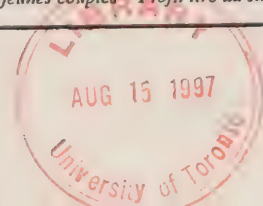
Figure 1: Number of Children at Home in Young-Couple and Other Two-Parent Families, Census 1991



In most areas of Canada, they form about one-fifth of all families; they are least common in British Columbia and most common in the Northwest Territories. Three in five young-couple families live in Census Metropolitan Areas.

Young-couple families are slightly more likely to have children living at home than older parents (61.9% versus 59.3%) (Figure 1). They also have fewer and younger children – only 9.9 percent have three or more, compared to 13.3 percent for older parents; and 86 percent have at least one child under six, compared to only 20.8 percent of older parents. Young couples are also more likely to live common-law than older couples – 24.6 percent compared to 7.3 percent.

Cette publication est aussi disponible en français sous le titre *Les conditions socio-économiques et de logement des jeunes couples – Profil tiré du Recensement de 1991*



Socio-Economic Profile

Young-couple families are highly mobile: 79.8 percent moved in the five years prior to the 1991 Census, compared to 33.3 percent of older-couple families. Young couples without children are most mobile; 90.2 percent moved, compared to 73.4 percent of young couples with children.

Young-couple families tend to have higher levels of education. Just over 60 percent of both males and females in young-couple families have at least some post-secondary education, compared to 51.2 percent of males and 43.8 percent of females in older-couple families.

Labour force participation rates are much higher for young-couple families – 96.6 percent of husbands participate in the labour force, compared to 74.9 percent of husbands in older-couple families, although younger-couple husbands had slightly higher unemployment rates – 8.7 percent versus 6.4 percent (Table 1).

Table 1: Labour Force Activity of Husbands in Young-Couple Families Compared to Other Two-Parent Families, Census 1991

	Husbands in Young-Couple Families		Husbands in Other Two-Parent Families		Lone Parents in Lone-Parent Families	
	#	%	#	%	#	%
TOTAL	1,330,120	100.0	4,391,720	100.0	727,295	100.0
In Labour Force	1,285,390	96.6	3,287,815	74.9	454,040	62.4
Employed	1,173,350	88.2	3,077,340	70.1	393,685	54.1
Unemployed	112,045	8.4	210,480	4.8	60,355	8.3
Unemployment Rate	n/a	8.7	n/a	6.4	n/a	13.3
Not in Labour Force	44,725	3.4	1,103,900	25.1	273,255	37.6

n/a = Not applicable

Note: Unemployment Rate refers to the proportion of those in the labour force who are unemployed.

Young-couple families without children average \$47,969 income per year, those with children \$45,937. Ninety percent of young-couple families rely on wages and salaries as their major source of income, compared to 70 percent of older-couple families. While 86.6 percent of young-couple families rely on two incomes, for older-couple families the figure is 64.2 percent, but a further 25.5 percent report three incomes.

Among young-couple families, those with children are more likely

to rely on one income (18.4% versus 3.8%), are more likely to have low incomes (13.3% versus 8.5%) and are more likely to be dependent on government transfers as a source of income (37.6% versus 19.7%).

Housing Profile

Just over half of the young-couple families (56.9%) own their dwellings compared to 84.7 percent of older-couple families. While many start out renting, by the time the primary household maintainer is 30-34 years old, 70 percent of young-couple families own their dwellings (Figure 2).

Young-couple families with children (65.5%) are more likely to own than those without (43.0%), and owners in general are more likely (80.3%) to own single detached housing. Young-couple families, both with and without children, who rent are more likely to live in apartment-style dwellings (61.9%).

According to the National Occupancy Standard¹, only 2.2 percent of young-couple families live in dwellings that do not have enough bedrooms to accommodate them suitably. As well,

like most Canadians, the majority of young-couple families live in dwellings in adequate condition. Nonetheless, in 1991, 8.6 percent (112,000) stated they occupied dwellings needing major repairs. The majority of these young-couple families (52%) were renters.

Like other Canadians, young-couple families find housing affordability to be more of a potential problem than crowding or adequacy. Some 21.3 percent (157,000) of young-couple families who own their home pay 30 percent or more of their income on shelter. Eighty-one percent of these families, however, have incomes above Statistics Canada's Low Income Cut-Offs (LICOs), averaging \$42,000 and \$46,000 for those with and without children respectively. The remaining 19 percent though, have incomes below the LICOs, averaging only \$7,620 for childless young couples and \$13,724 for those with children. This creates serious housing affordability problems.

Renter young-couple families spend far less than owners on housing, but they are also four times as likely as owner young couples to have low incomes. As a result, 20 percent of young-couple family renters spend more than the norm of 30 percent on shelter, and 70 percent (77,775) of these have low incomes, compared to 19 percent for owners.

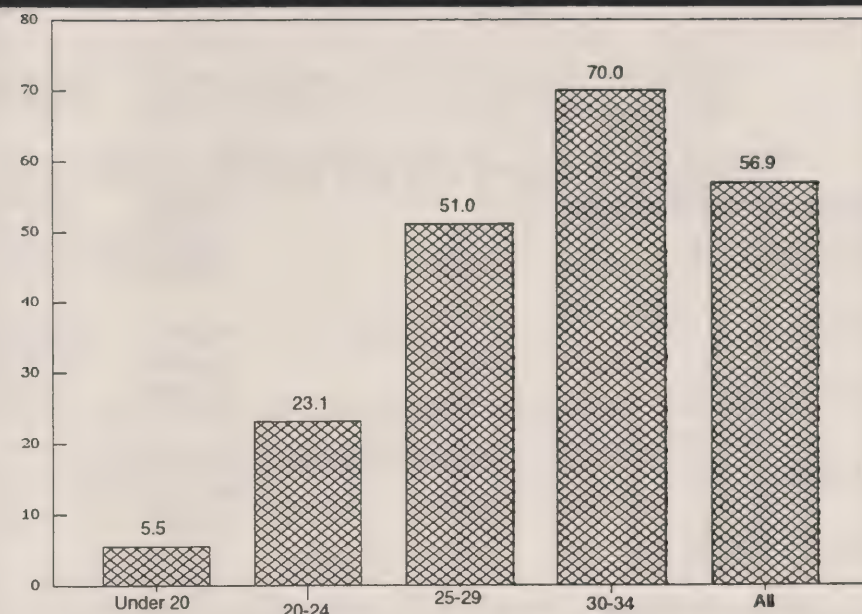
Over 60 percent or approximately 48,000 of these low-income renter families were raising children on average annual incomes of \$13,090 in 1991.

When owners and renters who live below the individual standards of suitability, adequacy and affordability have insufficient incomes to afford rental housing which meets standards, they are identified as being in core housing need.

As most young couples have enough money to improve their own housing conditions, they are far less likely than lone-parent families to fall into core housing need. Nonetheless, one in ten (130,330) is in need, and two-thirds (89,030) have children (Table 2). Approximately 71 percent (92,000) of the young-couple families in need are renters (34,760 childless couples and 57,660 families with children).

These figures serve to highlight the fact that the incidence of need is much higher amongst renters than owners – 16.5 percent versus 5.1 percent. It is also slightly higher amongst young-couple families with children than it is amongst young childless couples – 11.2 percent versus 8.3 percent. The highest incidence of need (20.9%) is amongst young-couple families, with children who rent. This compares with 12.2 percent of childless couples who rent, 6.0 percent of families with children that own, and 3.1 percent of childless couple owners.

Figure 2: Homeownership by Age Group of the Primary Household Maintainer in Young-Couple Families, Census 1991



One in ten young-couple families is in core need, and two-thirds of these households have children.

¹ Housing standards that reflect today's societal expectations are based on suitability, adequacy and affordability.

Suitability is based on the *National Occupancy Standard* which sets requirements for the specific number of bedrooms for each household based on its size and composition. Households that live in dwellings with less than the required number of bedrooms are considered to be crowded.

Adequacy requires that a dwelling must possess all basic plumbing facilities and require only regular upkeep and maintenance.

Affordability states that a household should not be required to spend 30 percent or more of its income to acquire shelter that is suitable and adequate.

Affordability is the predominant cause of core housing need among young-couple families. This is emphasized by the fact that the average incomes of young couple families in core need are only 20 to 30 percent of those of families not in need. Average 1991 annual incomes of the different types of households (Table 2) range from just over \$10,000 to about \$16,000 for those in need to \$43,000 to \$59,000 for those not in need.

Table 2: Young-Couple Families in Core Housing Need

	TOTAL	IN NEED			AVERAGE INCOME	
		#	%	Row	in Need	Not in Need
					\$	\$
ALL	1,297,465	130,330	100.0	10.0	14,028	52,966
Owners	736,580	37,895	29.1	5.1	15,082	58,861
Renters	560,890	92,430	70.9	16.5	13,596	44,655
Childless Couples	499,425	41,290	31.7	8.3	11,242	53,432
Owners	214,025	6,530	5.0	3.1	10,621	63,274
Renters	285,400	34,760	26.7	12.2	11,359	46,101
Families with Children	798,045	89,030	68.3	11.2	15,320	52,643
Owners	522,555	31,365	24.1	6.0	16,011	56,986
Renters	275,490	57,660	44.2	20.9	14,944	42,782

In conclusion, young-couple families are much less likely to experience housing problems than lone-parent females. For most, their problems are transitory and quickly disappear as they move into their early 30s.

Young-couple families, with children, who rent experience the most difficult housing circumstances.

This highlight presents some of the findings from a joint CMHC/Statistics Canada research paper, **Lone Parents, Young Couples and Immigrant Families and Their Housing Conditions: A 1991 Census Profile**. To obtain a copy of this paper, call the Canadian Housing Information Centre, (613) 748-2367. For further information, contact Mr. John Engeland, Research Division, CMHC, (613) 748-2799 or E-Mail: jengelan@cmhc.e-mail.com

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Research & Development Highlights

Socio-Economic Series

Issue 31

The Housing and Socio-Economic Conditions of Lone-Parent Families: 1991 Census Profile

Introduction

Shelter requirements and conditions vary by type of family. This research highlight draws on unpublished data from the 1991 Census of Population to profile the housing conditions of Lone-Parent Families. Lone-Parent family households are among those most likely to experience poverty and related housing problems. They are also frequently mentioned in discussions of child poverty.

A Lone-Parent Family consists of a mother or father, with no spouse or common-law partner present, living with one or more children (never married sons and/or daughters). This research highlight examines only those lone-parent families who maintain their own households and have no additional persons living with them. These are the majority, 76% or 727,295, of the 954,710 lone-parent families enumerated by the 1991 Census. As a group, they comprised 11.3 percent of all families who did not share their accommodation with another person(s) in 1991.

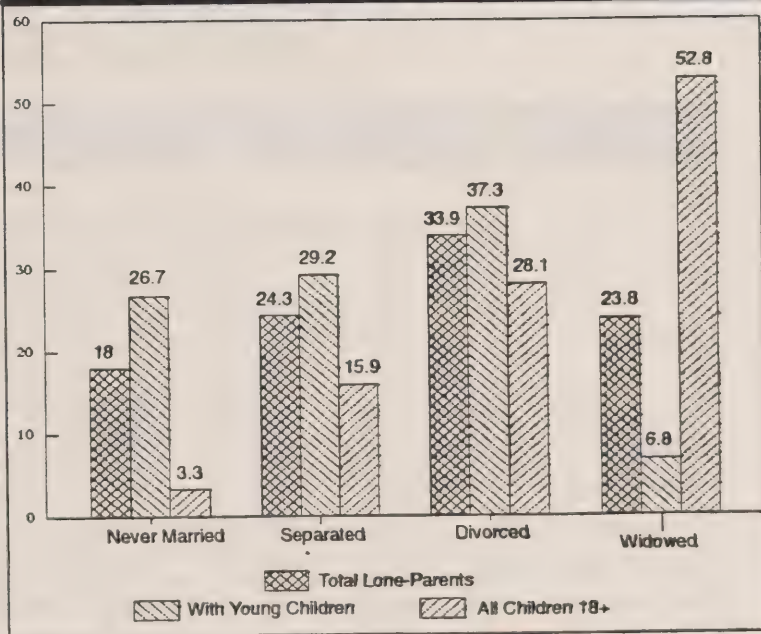
Demographic Profile

The majority (84.9%) of these lone-parent families are female-led. There are two main reasons for this. First, 33.9 percent are divorced and 24.3 percent are separated (Figure 1), and mothers tend to receive custody of the children. Second, 18.0 percent of lone parents have never married. In the age group 15-24, 80 percent of lone parents have never married.

Lone-parent families are least common in Newfoundland and Saskatchewan and most common in Quebec, the Northwest Territories and the Yukon. With 64.7 percent living in Canada's Census Metropolitan Areas, they are more urbanised than two-parent families (58.9%).

Almost two-thirds (63%) of lone parents have at least one child under 18 years of age at home, and 85.7 percent of these lone parents are under 45 years old (Figure 2). The other third living with children 18 or over include elderly

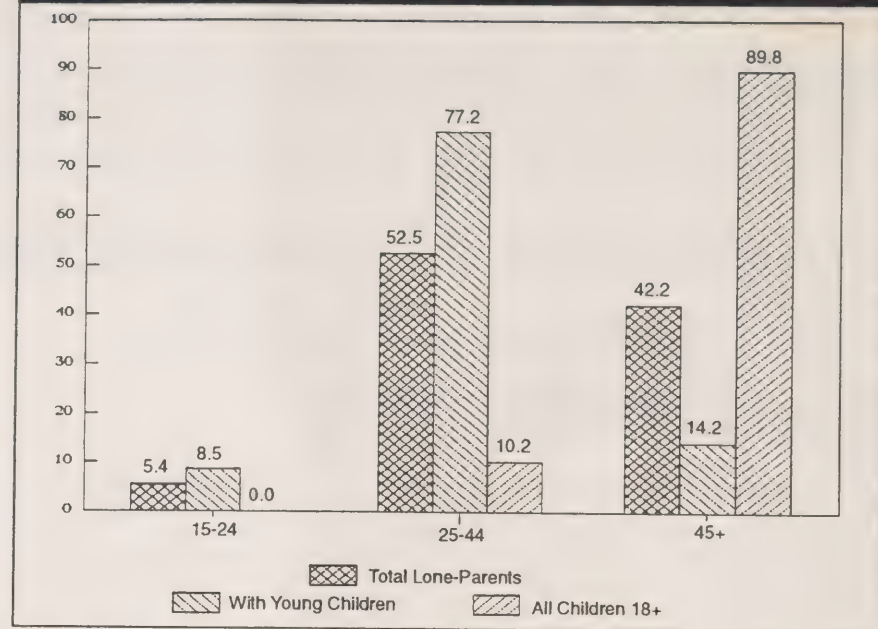
Figure 1: Marital Status of Lone Parents, Census 1991



Cette publication est aussi disponible en français sous le titre *Les conditions socio-économiques et de logement des familles monoparentales - Profil tiré du Recensement de 1991*

lone parents living with never married sons or daughters, and 89.9 percent of these lone parents are 45 years or older, while 52.8 percent are widowed.

Figure 2: Age Distribution of Lone-Parent Families, Census 1991



Socio-Economic Profile

Lone parents are relatively mobile as 54.0 percent moved in the five years prior to the 1991 Census, compared to only 44.1 percent of two-parent families. Lone-parent families with young children are the most mobile, with 67.6 percent moving, compared to only 30.8 percent with children 18 or over.

Lone parents are less educated: both male and female lone parents are more likely than spouses in two-parent families to have less than a grade 9 education. Younger lone parents, however, are better educated than older lone-parents – 19.0 percent have a university

education compared to 13.0 percent of older lone parents. Lone parents are also less likely to be in the labour force and more likely to be unemployed. Forty percent of lone parents supporting younger children were either not in the labour force or were unemployed (Table 1).

Being less educated and less likely to be active in the labour force, lone parents average about half the income of two-parent families – \$29,485 compared to \$55,294 (Table 2). This is in part due to the fact that

Table 1: Labour Force Activity of Lone-Parent Families

	All Lone-Parent Families		With Younger Children		With All Children 18+	
	#	%	#	%	#	%
TOTAL	727,295	100.0	458,350	100.0	268,945	100.0
In Labour Force	454,040	62.4	321,195	70.1	132,845	49.4
Employed	393,685	54.1	271,660	59.3	122,025	45.4
Unemployed	60,355	8.3	49,530	10.8	10,825	4.0
Unemployment Rate	n/a	13.3	n/a	15.4	n/a	8.1
Not in Labour Force	273,255	37.6	137,150	29.9	136,105	50.6

n/a = Not applicable

Note: Unemployment Rate refers to the proportion of those in the labour force who are unemployed.

**Unemployment
rates are highest
for lone parents
with young
children.**

53.1 percent of lone-parent families have only one income while 89.0 percent of two-parent families have two or more incomes.

Approximately one-third of lone parents report government transfer payments as their major source of income, compared to 12.9 percent of two-parent families.

These circumstances result in four times as many lone-parent as two-parent families falling below Statistics Canada's Low Income Cut-Offs (LICOs) – 39.9 percent compared to 9.1 percent. Over half (53.3%) of lone parents with younger children have low incomes compared to only 17.1 percent of lone parents with older children (Table 2).

Table 2: Income Characteristics of Lone-Parent Families

	Lone-Parent Families	Two-Parent Families
Income Distribution		
Under \$10,000	15.8%	2.9%
10,000 – 29,999	44.8%	20.1%
30,000 – 49,999	24.3%	28.8%
50,000 plus	15.1%	48.3%
Average income	\$29,485	\$55,294
Above Low Income	59.2%	90.3%
With young child	45.7%	89.1%
With child 18+	82.4%	94.3%
Average income	\$42,020	\$59,661
Low Income	39.2%	9.1%
With young child	53.3%	10.1%
With child 18+	17.1%	5.4%
Average income	\$11,032	\$12,665

Housing Profile

Lone-parent families are only about half as likely as two-parent families to own their dwellings. Those that do own are more likely to be male (60.9% own) or 55 years of age or older (69.2% own).

Homeownership falls outside the economic reach of most female-led families with young children. As a result, 69.1 percent rent (Figure 3) and 71.8 percent live in apartments.

Lone-parent families are also more likely to experience low housing standards. According to the National Occupancy Standard¹, 13.7 percent live in dwellings that are crowded, given the size and composition of the household. Like most Canadians, however, the majority of lone parents live in dwellings in adequate condition. Nevertheless, in 1991, 11.6 percent stated they occupied dwellings in need of major repair, and the majority of these were female lone parents with younger children. Affordability is the major housing challenge facing lone parents. One of every four (26.4%) lone-parent owners and one half (53.2%) of lone-parent renters pay 30 percent or more of their income for housing. Almost all are female parents with young children and with incomes below the LICOs.

¹ Housing standards that reflect today's societal expectations are based on suitability, adequacy and affordability.

Suitability is based on the *National Occupancy Standard* which sets requirements for the specific number of bedrooms for each household based on its size and composition. Households that live in dwellings with less than the required number of bedrooms are considered to be crowded.

Adequacy requires that a dwelling must possess all basic plumbing facilities and require only regular upkeep and maintenance.

Affordability states that a household should not be required to spend 30 percent or more of its income to acquire shelter that is suitable and adequate.

**Home ownership
falls outside the
economic reach
of most female-led
families.**

When lone-parent households that live below the individual standards of suitability, adequacy and affordability have insufficient incomes to afford suitable and adequate rental housing, they are identified as being in core housing need. Four of ten lone-parent families are in core need – 19.1 percent of male - and 42.7 percent of female-led families, 18.3 percent of owners and 54.4 percent of renters (Table 3). Just over 50 percent of lone parents with children under 18 are in core need, compared to just under 17 percent of those whose children are all 18 years or older. Mothers with young children are in need 55.5 percent of the time, and the majority rent and live in apartment-style dwellings.

Affordability is by far the most important cause of lone-parent housing need. This is confirmed by the fact that the average incomes of the different types of lone parents in housing need range from 25 to 40 percent of those not in need (Table 3).

In conclusion, lone-parent families, because of the significant degree of poverty they experience, are much more likely to live below acceptable housing standards than two-parent families and much less likely to have the income to improve their housing situation. Lone-parent female renters face the highest level of housing need.

Figure 3 : Lone-Parent Family Households by Tenure, Census 1991

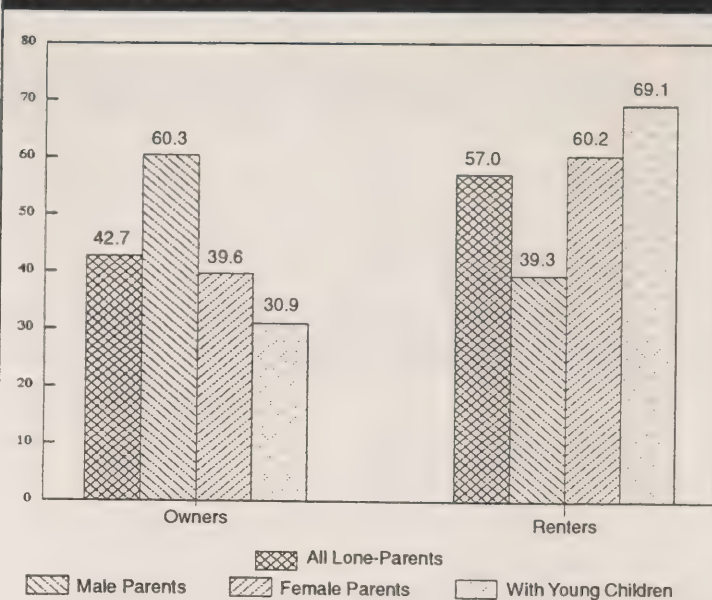


Table 3: Lone-Parent Families in Core Housing Need

	TOTAL	IN NEED		AVERAGE INCOME	
		#	%	In Need	Not in Need
				\$	\$
ALL	727,295	280,040	38.5	12,342	40,718
Males	109,805	20,345	18.5	13,808	52,482
Females	617,490	259,695	42.1	12,227	37,870
Owners	310,575	53,370	17.2	14,211	47,418
Renters	414,710	224,675	54.2	11,881	31,793
Child < 18	458,340	234,425	51.1	11,961	34,500
Child > 18	268,950	45,615	17.0	14,301	46,439

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Research & Development Highlights

Socio-Economic Series

Issue 29

Energy Performance Contracting and the Residential Sector

Introduction

C MHC recently completed a study, entitled "Energy Performance Contracting and the Residential Sector." Energy Performance Contracting (EPC) allows private firms to enter into arrangements with property owners to reduce the energy consumption of their buildings through customized energy – efficiency upgrades. Energy Service Companies (ESCO's) provide a range of services including audits, financing, installation and maintenance and are repaid based on the client's energy savings. Operating costs can be reduced and energy efficiency improved with no up-front costs and limited risks to the facility owner.

Despite the success of EPC in non-residential markets, virtually no applications in the housing sector have been achieved in Canada. To date ESCO's have focused almost exclusively on commercial, office and institutional buildings such as hospitals and schools. ESCO's have targeted these types of projects because they are sufficiently large scale, have simplified approval processes, and are easy to replicate. The residential market has been viewed as high risk, diffuse and difficult to manage. The objective of CMHC's study was to determine if the EPC industry could successfully enter the residential market.

Study Findings

**A mature EPC industry currently exists
in virtually every region of Canada.**

EPC services in Canada are currently offered by 40 to 50 registered ESCO's. These companies typically have total revenues from all services ranging from \$1 million to over \$1 billion. Much of the

**Despite the success of
EPC in non-residential
markets, virtually no
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been achieved in
Canada**



Cette publication est aussi disponible en français sous le titre *Les services éconergétiques et le secteur résidentiel.*

**The total
investment
potential for the
highrise market
is estimated at
\$550 million to
\$650 million.**

industry's success in non-residential sectors is attributed to organizational support from governments and utilities. For example, the industry's growth over the past ten years has been stimulated by two major interventions: the Guaranteed Energy Performance Program launched by Ontario Hydro to stimulate building retrofits through EPC; and the Federal Buildings Initiative (FBI), launched by Natural Resources Canada (NRCan) to reduce the operating costs of federal buildings by improving energy efficiency.

The industry has also improved its success by offering performance guarantees, and through effective marketing and innovative risk management arrangements, such as repayment based on monthly energy savings and energy savings insurance packages.

The EPC industry has successfully entered the US residential sector

In the United States, about three million dwellings – mostly low-rise buildings – have been retrofitted under EPC contracts. Utility sponsored programs initially attracted ESCo's to the residential market where most retrofits were being done in single detached homes. As the US market shifts away from utility programs, social housing is becoming a very attractive submarket for EPC: the scale of the projects is large, the housing is in poor condition and there is a need to cut operating costs.

There is a market for EPC in Canada's residential sector

This study included an industry survey of Canadian ESCo's to determine their level of interest in entering Canada's residential sector. ESCo's identified highrise apartments and highrise and medium-rise social housing as the market segments with greatest potential. These segments offer larger investment returns and greater control of day-to-day energy use in the buildings.

Overall, there is a substantial energy saving potential in the residential market, particularly in light of the aging condition of the housing stock. The total investment potential for the highrise market is estimated at \$550 million to \$650 million. Since about 10-16 percent of the housing stock is in need of major repair, energy management can be effectively combined with renovation work, representing a cost-effective piggyback opportunity.

Barriers to EPC entry into the residential market can be overcome

ESCO's also identified the following barriers to EPC entry in the residential sector and possible responses to overcoming these barriers:

- The inability of ESCo's to control occupant behavior (e.g. heat levels, window openings) will reduce the effectiveness of upgrades, particularly in a rental context where most tenants have no financial incentive to conserve. To overcome this, ESCo's could educate occupants and maintenance personnel to gain their cooperation;

- The complexity of decision-making authority complicates the approval process. In response, ESCo's would have to customize contract structures and services to address the range of ownership and decision-making authority in the residential sector, (e.g. low-rise freehold housing, cooperatives and condominiums);
- Rent control restricts the return on energy upgrade investment. This can only be overcome through changes in legislation; and
- ESCo's in Canada prefer to deal with large contracts over \$500,000, which could be a problem for most segments of the residential sector. In response to this, ESCo's are willing to consider smaller project sizes (as small as \$3,000 to \$5,000), and would encourage the grouping of buildings to achieve economies of scale and an acceptable level of investment.

ESCo initiatives to minimize risk include:

- targeting priority markets, such as highrise rental apartments and social housing;
- using energy management measures that are proven and offer reasonably fast pay-backs; and
- customizing contract structures and services to meet specific residential needs.

Institutional intervention, particularly government/utility partnerships, was also considered to be an important prerequisite for entering the residential market.

The most appropriate third party initiatives include:

- facilitating access of ESCo's to social housing;
- briefing the financial and risk assurance industry about EPC and residential market opportunities;
- organizing demonstration projects for the industry and for building owners/managers; and
- providing endorsements to lend credibility to ESCo's.

Conclusion

The study concluded by recommending that further research be conducted, including:

- an analysis of the potential for residential renovation contractors with no EPC experience to begin offering EPC services in the residential sector;
- an examination of the success of ESCo's in the US residential sector; and
- a thorough review of the investment potential in the residential sector, focusing on medium-rise and highrise housing.

The study also recommended that governments, utilities, ESCo's and the financial and insurance sectors develop a strategy to facilitate EPC entry into the residential sector. The strategy would focus on increasing market access

ESCo's can minimize risk by targeting priority markets, using proven measures that offer fast payback and customizing contract structures and services.

and reducing the risk to a level comparable to other EPC market sectors. It would also target high priority markets (highrise rental apartments and medium-rise and highrise social housing) and build on the success of existing services, financing packages and promotional techniques. If possible, it would include a demonstration project that would showcase innovative approaches, such as financing arrangements, risk management techniques, and energy management measures). Finally, promotional and educational products could be developed for building managers and owners, the financial and insurance sectors, and other decision makers.

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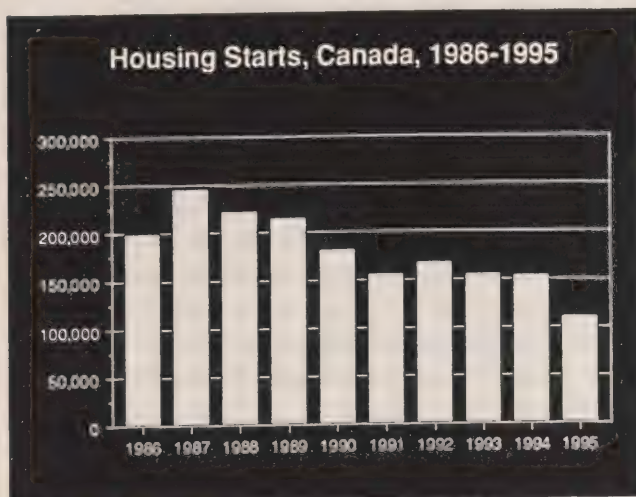
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The Long-Term Housing Outlook: Household Growth, 1991-2016

Introduction

To date, the number of housing units built in Canada in the 1990s stands in marked contrast to the vigorous activity of the late 1980s. From a peak of nearly 246,000 in 1987, housing starts fell to 111,000 in 1995, the lowest output since 1960, and averaged 149,000 per year from 1991 through 1995.



Is the recent steep decline in residential construction indicative of the long-run outlook for housing? While annual variation in housing demand is largely the product of factors related to business cycles and the general state of the economy, demand in the long-run can ultimately be traced to changes in the size, age structure, and overall tendency of the population to form households. Household growth — the major source of housing demand — occurs as the population grows and ages, and as social and economic forces alter preferences for different living arrangements.¹

This Research and Development Highlight provides an overview of some findings from a forthcoming CMHC report on household growth projections for Canada and the provinces in the period 1991-2016.² These projections illustrate how household growth would vary given different assumptions about where and how Canadians choose to house themselves over the next twenty years.

1 Although household growth (the net increase in the number of households) is typically the major determinant of the requirement for new dwelling units, other factors — such as the need to replace units lost from the housing stock, to adjust for additional units created within the existing stock, and to allow for a normal number of vacant units — also influence the number of new units required.

2 Projections refer to the middle of the year; thus, the projection period extends from July 1, 1991, to July 1, 2016. References to particular periods, such as 1996-2001, are understood to mean from the middle of the first year to the middle of the last.

Scenarios

Household growth projections were developed from custom population projections specified by CMHC and produced by Statistics Canada. The principal assumptions underlying these population projections were the following:

- a continuation of current fertility levels (1.7 births per woman);
- a medium increase in life expectancy;
- a continuation of current immigration levels (205,000 per year).

Population projections were transformed into household growth projections by applying different assumptions about the rate at which Canadians form households. Assumptions were based on historical trends during different periods. The high scenario assumes a stronger overall household formation trend, particularly among generations currently under the age of forty, than the low and medium scenarios, which are founded on weaker historical trends. To date, household formation by those under forty has lagged behind the levels achieved by preceding generations.

Results

All scenarios point to a tendency for household growth to decline in Canada over the long-run. Annual household growth in 1991-1996 is projected to average about 147,000, a level consistent with the recent pace of residential construction. According to the low scenario, this level will then decline gradually over the next twenty years. In contrast, both the medium and high scenarios show household growth rising in 1996-2001 before dropping in later years. Growth under the medium scenario will raise the total number of households in Canada from approximately 10.3 million in 1991 to 14.1 million in 2016.

Average Annual Household Growth, Canada					
Scenario	1991-1996	1996-2001	2001-2006	2006-2011	2011-2016
Low	147,300	140,800	141,700	139,200	134,300
Medium	147,300	160,800	157,800	154,600	148,800
High	147,300	175,500	168,500	163,700	157,200

Both the
medium and
high scenarios
show
household
growth rising
in 1996-2001
before
dropping
in later years.

The major factor underlying the downward trend in household growth in the long-run is declining population growth, largely the product of an aging population. The average annual rate of population growth is expected to drop from just under 1.3 percent in 1991-1996 to 0.8 percent in 2011-2016. The aging of the population means that the majority of the large baby boom group either already have or shortly will have formed independent households.

Other Findings

The following results are evident in all scenarios.

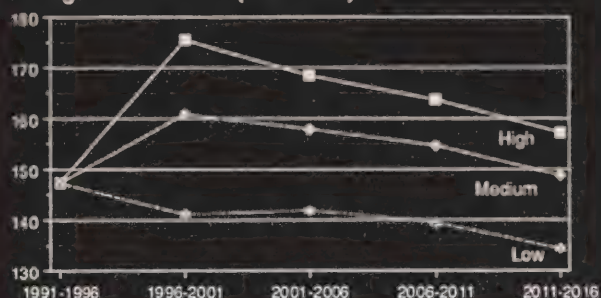
- Households will continue to shrink in size, but not as rapidly as in the past. Between 1961 and 1991, the size of the average Canadian household dropped from 4 to 2.7 persons. According to CMHC's projections, average household size will range from 2.5 to 2.6 in 2016.
- The number of non-family households (people living alone or with other unrelated individuals) will grow more rapidly than the number of family households. The composition of households will therefore continue to shift in the direction of non-traditional household types.
- Aging of the baby boom, combined with the difficult labour market facing young Canadians, will dampen household growth among those under the age of 45. From 1991 to 2011, the number of households headed by this group will actually decline. Positive household growth will not return to this age group until the period 2011-2016.
- The ownership rate for all households will rise, but at a diminishing pace, before levelling off after the turn of the century. The pattern is indicative of the aging of the population, as well as the above-noted growth in non-family households. Non-family households are more likely to rent than family households.

Conclusions

The projections described above show considerably different possibilities for household growth after 1996. According to the low projection, growth will decline moderately from current sluggish levels, but nonetheless will exceed the depressed volume of housing starts in 1995 by a healthy margin. In contrast, medium and high projections indicate potential for a rebound in household formation in 1996-2001, followed by resumption of a gradual decline over the long-run. Scenarios illustrate how growth would vary under different assumptions about how Canadians will house themselves in coming years. Projections do not reflect the cyclical effects of economic factors but rather a set of long-term and largely demographic assumptions.

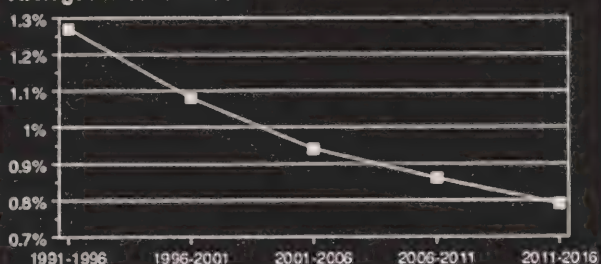
Household Growth Projections, Canada, 1991-2016

Average Annual Growth (Thousands)



Projected Population Growth, Canada, 1991-2016

Average Annual Growth



Source: Statistics Canada Custom Population Projections

Households

will continue

to shrink in

size, but not

as rapidly as

in the past.

CMHC Report

This Research and Development Highlight presents selected results from *The Long-Term Housing Outlook: Household Growth in Canada and the Provinces, 1991-2016*, a forthcoming CMHC report. Projections were developed for individual provinces and subsequently aggregated to produce Canada-wide totals. For each province, six alternative projections were generated. The six resulted from combining two interprovincial migration scenarios — one favouring the western provinces and the second the central provinces — with three alternative household formation assumptions. The latter assumptions incorporate results of research on the impact of labour market conditions on the rate of household formation among young adults.

PROJECTION ASSUMPTIONS – PROVINCIAL SCENARIOS	
Interprovincial Migration	Household Formation Trend
Western	Low
Western	Medium
Western	High
Central	Low
Central	Medium
Central	High

The report contains a complete account of provincial and national projections and of the assumptions used to produce them. It discusses population trends, household growth scenarios, household composition, and tenure and dwelling type choices. Canadian customers can order the report by calling 1-800-668-2642. Customers from outside Canada can call 1-613-748-2003.

The projections summarized in this issue of *Research and Development Highlights* were produced by the Social and Economic Policy and Research Division of Canada Mortgage and Housing Corporation (CMHC) in consultation with Market Analysis Centre. For further information, contact Roger Lewis, Social and Economic Policy and Research, at (613) 748-2797.

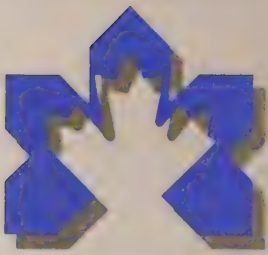
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Research & Development Highlights

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Issue 26

Infrastructure Costs Associated with Conventional and Alternative Development Patterns

Introduction

this study was recently completed by Canada Mortgage and Housing Corporation (CMHC), in partnership with the Regional Municipality of Ottawa-Carleton (RMOC). Its purpose was to compare the cost-effectiveness of two patterns of development: (i) a conventional suburban development pattern, and (ii) a mixed use, more compact development, planned according to the principles of "New Urbanism." The analysis considers the long-term life-cycle costs of various linear infrastructure and community services, and differentiates between public and private (i.e., developer) costs.

An existing development in Ottawa-Carleton was chosen as the test site. The site exhibits all of the characteristics of a conventional post-war suburban development pattern, including a curvilinear street pattern, relatively low residential densities, homogeneity and separation of land uses, and an emphasis on the private automobile over other modes of travel. Typical planning standards in the conventional site include 20 m local right-of-way widths, single family lot frontages of 10.7 m to 15.2 m, lot depths of 30 m to 34 m, front yard setbacks of 6.0 m, and rear yard setbacks of 7.0 m to 9.0 m.

An alternative development, planned according to the principles of New Urbanism, was overlaid onto the existing site, and the life-cycle infrastructure costs of the two plans, including emplacement, replacement, and operating and maintenance costs, were calculated and compared.

The more compact New Urbanism plan features a finer mix of land uses, higher residential densities, narrower right-of-way and pavement widths, a modified grid system of streets, transit supportive design, and so on. The plan is organized around a

Analysis

Compares

Long-Term

Life-Cycle

Infrastructure

Costs



Cette publication est aussi disponible en français sous le titre *Le télétravail et le travail à domicile dans les collectivités canadiennes*.

Alternative Plan has 16% Lower Infrastructure Costs

series of individual neighbourhoods, each defined by a 400 m radius (a five-minute walk) from edge to centre. Each neighbourhood has a central green, or neighbourhood park, surrounded by a mix of land uses, including commercial, office and higher density housing.

There are some significant differences between the two plans:

- The alternative plan has more than twice as much land devoted to commercial uses, and 20 percent more recreation and open space lands.
- The alternative plan contains 71 percent more dwelling units than the conventional plan, due, in part, to significantly smaller lot sizes.
- There are over 500 more apartments in the alternative plan, centred around the neighbourhood squares, and mixed in with commercial, retail and office uses along the main street.
- Net residential densities for the conventional and alternative plans are 21.7 and 43.3 units per hectare respectively.
- The alternative plan has a 16 percent greater length of roads (not including the rear lanes), and almost 15 percent more asphalt road surface area (not including the rear lanes).

Some Key Findings

Emplacement Costs

Table 1 illustrates that the initial capital cost of emplacing the infrastructure is approximately \$5,300 per unit less in the alternative plan. In other words, it is 16 percent cheaper per unit to construct the infrastructure in the alternative plan than in the conventional plan. This includes both public and private costs.

Table 1
Comparison of Per Unit Emplacement Costs (\$)

Service Component	Conventional Site	Alternative Plan	Difference	%
1. Roads (inc. utilities & service connections)	5,272	3,311	-1,961	-37
2. Sidewalks & Streetlighting	498	636	+138	+28
3. Sanitary Sewer	1,885	1,191	-694	-37
4. Stormwater Management	3,491	2,210	-1,281	-37
5. Water distribution	1,758	1,258	-500	-28
6. Transit	1,059	881	-178	-17
7. Fire Protection	348	301	-47	-14
8. Police Protection	362	313	-49	-14
9. Parkland	3,591	3,368	-223	-6.2
10. Recreational Facilities	3,335	3,183	-152	-4.6
11. Libraries	522	489	-33	-6.3
12. Works & Parks Department	417	358	-59	-14
13. Garbage Collection	0	0	0	-0
14. Hydro-Electric Services	1,992	1,731	-261	-13
15. School Facilities/Transportation	10,034	10,033	-1	0
TOTAL	\$34,564	\$29,263	\$5,301	-16

While the linear cost of constructing local roads is slightly less expensive in the alternative plan (\$505/metre) than in the conventional plan (\$518/metre), due to a 0.5 metre reduction in pavement width, in absolute terms, it is still more expensive to construct the road network in the alternative plan because, compared to the conventional plan's curvilinear street pattern, the grid pattern of streets produces more length of roads, more intersections, and so on. On a per unit basis, however, there is a net savings of approximately \$2,000 for road construction in the alternative plan for two reasons: (i) the increase in residential density in the alternative plan spreads the cost of roads over more dwelling units; and (ii) the higher proportion of non-residential land uses (7.5 percent more) in the alternative plan lowers the percentage of total road costs apportioned to the residential sector. Significant cost savings in the areas of storm and sanitary sewers, water distribution, and other services which parallel the road network arise for the same reasons.

Infrastructure replacement, and operating and maintenance costs were also found to be more economical in the alternative plan. As Table 2 illustrates, the alternative plan generates life-cycle savings of approximately \$11,000 per unit over a 75-year period. Expressed as a percentage, the linear infrastructure, including roads, utilities, sewer, water, and stormwater management, represents the greatest per unit cost savings.

Table 2
Comparison of Per Unit Total Life-Cycle Costs

Service Component	Conventional Site	Alternative Plan	Difference	%
1. Roads (inc. utilities & service connections)	10,446	7,392	-3,054	-29
2. Sidewalks & Streetlighting	936	1,225	+289	+31
3. Sanitary Sewer	2,652	1,677	-975	-37
4. Stormwater Management	4,105	2,606	-1,499	-37
5. Water distribution	3,534	2,446	-1,088	-31
6. Transit	9,104	7,774	-1,330	-15
7. Fire Protection	5,204	4,496	-708	-14
8. Police Protection	7,466	6,450	-1,016	-14
9. Parkland	4,735	4,325	-410	-8.7
10. Recreational Facilities	7,794	7,434	-360	-4.6
11. Libraries	2,934	2,752	-182	-6.2
12. Works & Parks Department	772	663	-109	-14
13. Garbage Collection	2,453	2,301	-152	-6.2
14. Hydro-Electric Services	6,270	5,893	-377	-6.0
15. School Facilities/Transportation	56,804	56,799	-5	0
TOTAL	\$125,210	\$114,233	\$-10,977	-8.8

**Operating and
Maintenance
Also More
Economical
In Alternative
Plan**

Other salient findings include:

- A reduction in infrastructure emplacement costs of approximately \$5,300 per unit represents the largest life-cycle cost savings in the alternative plan. Developer-emplaced infrastructure (roads, street lights, piped services and parks) accounts for roughly 60 percent of these savings (over \$3,000 per unit). Government-emplaced infrastructure accounts for approximately 40 percent of the savings (over \$2,200 per unit). Emplacement cost savings represent an opportunity to reduce housing costs by approximately \$5,000 per unit, assuming the savings are passed on to the consumer.
- Operating and maintenance costs are over \$3,700 per unit less in the alternative plan, all of which are public savings. Infrastructure replacement is just over \$2,000 per unit less in the alternative plan (also public savings).
- Over 70 percent (\$8,000) of the per unit life-cycle cost savings are public savings; approximately 30 percent (\$3,000) are private savings.
- Ranking the per unit life-cycle cost savings by service component, the largest life-cycle cost savings in the alternative plan are as follows: roads (\$3,054); followed by stormwater management (\$1,499); transit (\$1,330); water (\$1,088); policing (\$1,016); and sanitary sewers (\$975).
- Schools and school transportation (i.e. busing) represent approximately one-half of the total life-cycle costs in both plans. Of this school cost, approximately 60 percent is associated with transportation (i.e. buying, maintaining and replacing buses). Schools and school buses account for approximately one-third of total infrastructure emplacement costs, and between 57-60 percent of total operating and maintenance costs in both plans.
- Emplacement, replacement, operating and maintenance costs, as a proportion of total life-cycle costs, remain relatively constant in both plans, at approximately 26 percent, 7 percent, and 65-68 percent, respectively.
- Life-cycle savings of approximately \$11,000 per unit generate approximately \$77 million in savings when spread over a community of 7,000 dwellings. Over a 75-year period, this translates to annual savings of over \$1 million for the alternative plan.

To obtain a copy of the report, call the Canadian Housing Information Centre, (613) 748-2367. For further information, contact Mr. David D'Amour, Socio-Economic, Policy and Research Division, CMHC, (613) 748-2325.

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Research & Development Highlights

Socio-Economic Series

Issue 25

Changing Values, Changing Communities: A Guide to the Development of Healthy, Sustainable Communities

Introduction

Canada Mortgage and Housing Corporation (CMHC) recently completed a study entitled *Changing Values, Changing Communities: A Guide to the Development of Healthy, Sustainable Communities*. The report examines four alternative planning approaches which have emerged in response to concerns about the liveability and sustainability of conventional suburban development patterns. The planning approaches reviewed include neo-traditional designs, transit-oriented developments (also known as "pedestrian pockets"), cohousing communities, and eco-villages.

A comprehensive evaluative framework was developed to assess the advantages and disadvantages of these planning approaches. The framework defines seven essential attributes of a healthy, sustainable community. It also identifies related planning goals and objectives, and some of the "tools" available to communities to meet these goals and objectives. The seven key aspects in the framework that must be considered in developing healthier, more sustainable communities are:

1. **Resource Conservation** — land, materials, water, energy
2. **Environmental Impacts** — greenhouse gases, ozone depletion, air/water/soil quality
3. **Economic Viability** — infrastructure, marketability, stability

**Comprehensive
Evaluation
Framework
Assesses
Planning
Approaches**



Cette publication est aussi disponible en français sous le titre *Le télétravail et le travail à domicile dans les collectivités canadiennes*.

Tables

Show

Examples

of Broader

Goals

Objectives

and Tools

4. **Equity** — access and opportunity, fulfilment of basic needs, services and amenities
5. **Liveability** — services/facilities, open space, convenience of movement, climate/weather, delight
6. **Community** — inclusiveness, participation, heritage, identity, gathering places
7. **Health and Safety** — health protection, health promotion, health care and safety

The following table is an example of how one of the above aspects (resource conservation) relates to broader planning goals and objectives and to the tools available to communities to achieve these goals and objectives.

Table 1
Resource Conservation

Aspect	Goal	Objectives	Tools
Land	Land is valued and conserved.	<ul style="list-style-type: none"> ■ Ensure efficiency in use of developable land. ■ Preserve and enhance agricultural land. ■ Protect and conserve natural features and sensitive areas. ■ Minimize land development. 	<p>Land use</p> <ul style="list-style-type: none"> ■ Master, secondary and site plans development agreements, zoning. ■ conservation plan ■ solar orientation <p>Building form and technology</p> <ul style="list-style-type: none"> ■ design guidelines ■ equipment and building performance standards
Materials	Optimum efficiency and conservation in use of materials.	<ul style="list-style-type: none"> ■ Minimize use of non-renewable materials. ■ Maximize use of renewables on a sustainable basis. ■ Favour the use of local renewable resources. 	<p>Infrastructure and utilities</p> <ul style="list-style-type: none"> ■ Integrated resource plans* for energy, water and waste ■ Use of living systems
Water	Water is used within the carrying capacity of local natural systems.	<ul style="list-style-type: none"> ■ Maintain demand within limits of local natural systems. ■ Allow maximum return to groundwater and surface water systems. ■ Make optimum use of existing infrastructure. 	<p>Transportation and Communication</p> <ul style="list-style-type: none"> ■ Integrated resource plan for transportation ■ municipal operations
Energy	Net self-sufficiency in energy.	<ul style="list-style-type: none"> ■ Minimize energy demand of buildings. ■ Minimize energy demand for transportation. ■ Maximize reliance on local renewable sources. ■ Where non-renewable energy is used, use local sources where possible. 	<p>Economic development</p> <ul style="list-style-type: none"> ■ economic strategy ■ resource management plan ■ public support for green technology ■ public education <p>Social development</p> <ul style="list-style-type: none"> ■ public education ■ consultation ■ technology transfer

* In the utility sector, an integrated resource plan is one which takes demand side options as well as supply side options into account.

The evaluative framework consists of a similar table for each of the seven aspects. The framework is essentially a checklist that can be used to help plan more sustainable communities in a greenfield context, or to evaluate the social, economic and environmental performance of existing communities.

Key Findings

To evaluate the four planning approaches, the framework was applied to eight different developments, each of which was either in the planning stages or under construction: two cohousing communities; two eco-villages; and four communities considered to be representative of "New Urbanism" (The assumptions and principles underpinning neo-traditional designs and pedestrian pockets are very similar. Together the two models have come to be known as "New Urbanism".)

The case studies represent some of the most innovative developments being planned today. They range in size from a 17-unit cohousing development to a new town being planned for 27,000 people. All but one of the projects are being developed in Canada.

According to the evaluations, all of the case studies represent improvements over conventional suburban development patterns. In other words, they all exhibit certain common features which are generally believed to improve community health and sustainability. The developments in the case studies tend to be denser and more compact than standard suburban designs, with a finer mix of land uses and pedestrian-friendly layouts. Streets have been designed to accommodate cars, though their social function has also been recognized. A grid pattern of roads is often favoured over curvilinear layouts to improve the efficiency of transit circulation. Civic buildings, landmarks and other focal points are emphasized as community gathering places. A broader mix of more affordable housing, responding to a diversity of needs is generally encouraged. And, where appropriate, cost-effective alternative planning and engineering standards are being incorporated to reduce costs and improve performance and aesthetics.

Overall, while the study was originally intended to review four distinct concepts of urban form, each reflecting particular goals and ideals, the case studies suggest that today's most innovative urban developments in Canada do not conform to any one of these concepts to the exclusion of the others. Rather, individual projects seeking to break out of the conventional suburban mould are much more eclectic, borrowing from all of the concepts as appropriate.

Case Studies

Represent

Most

Innovative

Developments

To obtain a copy of the report, call the Canadian Housing Information Centre, (613) 748-2367. For further information, contact Mr. David D'Amour, Socio-Economic, Policy and Research Division, CMHC, (613) 748-2325.

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- Issue 23 Housing the New Family: Reinventing Housing For Families
- Issue 24 The Migration and Mobility Patterns of Canada's Aboriginal Population

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Research & Development Highlights

Socio-Economic Series

Issue 24

Migration and Mobility of Canada's Aboriginal Population

Introduction

According to the 1991 Census of Canada and the Aboriginal Peoples Survey, more than 321,000 Aboriginal people were living in a different location in 1991 than in 1986. This highlight examines several key dimensions of Aboriginal migration and residential mobility patterns during that five-year period.

The Aboriginal Population

The most recent information on Aboriginal migration and mobility patterns comes from the 1991 Census of Canada and the Aboriginal Peoples Survey (APS). The Census of Canada, which identifies the Aboriginal population on the basis of ethnic origin or ancestry, in 1991 estimated this population at 1,002,675 individuals. It is here referred to as the **Aboriginal ancestry population**.

The Aboriginal Peoples Survey was conducted as a follow-up to the Census. It sampled the population that reported Aboriginal ethnic origins, but collected information only on the 625,710 individuals who identified with an Aboriginal group. This group is referred to as the **Aboriginal identity population**.

Data presented in this highlight concerning the volume and geographic patterns of Aboriginal migration and the characteristics of migrants derive from the APS and relate to the population reporting Aboriginal identity. Data concerning Aboriginal residential mobility, housing consumption and locational patterns in major urban areas are based on the 1991 Census and relate to the population reporting Aboriginal ancestry. Aboriginal households are defined as those in which people of Aboriginal origin maintain the household.

Findings

Geographical Patterns of Migration

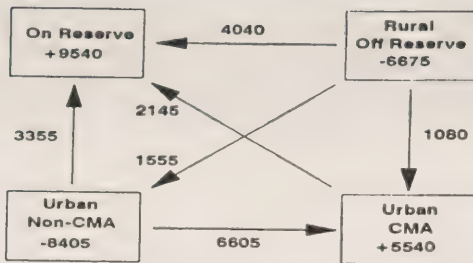
Although nearly 60 percent of Canada's Aboriginal identity population reported at least one change of residence between 1986 and 1991, most moves occurred within the same community. Migrants (i.e. individuals who reported living in different communities in 1986 and 1991) totaled 117,120 individuals, representing about 22 percent of the total Aboriginal identity population aged

**60% Of The
Aboriginal
Identity
Population
Moved
Between
1986 And 1991**



Cette publication est aussi disponible en français sous le titre *Migration et mobilité de la population autochtone du Canada*.

Figure 1:
Summary of Net Migration Flows Between On and Off-Reserve Locations
During the 1986-1991 Period, Aboriginal Identity Population, Canada



Note: Excludes International migrants and migration from reserves not enumerated in 1991 by the Census and/or Aboriginal Peoples Survey.

Figures in box refer to net migrants for areas.

Source: Custom tabulations from the Aboriginal Peoples Survey, 1991

5 or more. The migration rate of Canada's Aboriginal population during the period was slightly lower than that of the total Canadian population (23.5 percent).

Between 1986 and 1991, migration resulted in net inter-provincial population shifts of about 7,145 Aboriginal individuals. Migration resulted in small increases to the Aboriginal identity populations of both Alberta and British Columbia. All other provinces and regions reported small Aboriginal population losses through migration during the time period.

As in the case of inter-provincial movements, Aboriginal migration between the far-northern, mid-northern and southern regions of Canada resulted in relatively small changes in the populations of these regions. Both the southern and far northern regions of Canada experienced small increases (less than 1 percent) in Aboriginal population through migration. The mid-north region reported a small population loss through migration (less than 2 percent).

In relation to other geographical dimensions of Aboriginal migration, movement on and off reserve and within the rural-urban hierarchy represents a more common and important factor in Aboriginal migration. Large urban centres (Census Metropolitan Areas) experienced a net increase of 5,540 Aboriginal individuals through migration, suggesting that the longstanding process of urbanization of the Aboriginal population continued during the 1986-1991 period. Indian reserves gained 9,540 individuals as a result of migration during the period. Roughly 20 percent of this population increase was associated with migration to reserves of individuals who gained or regained Indian status under the 1985 amendments to the Indian Act (Bill C-31). Losses of Aboriginal population through migration were reported for smaller urban areas and rural areas (Figure 1).

Large Urban Centres And Indian Reserves Experienced Net Population Gains As A Result Of Migration

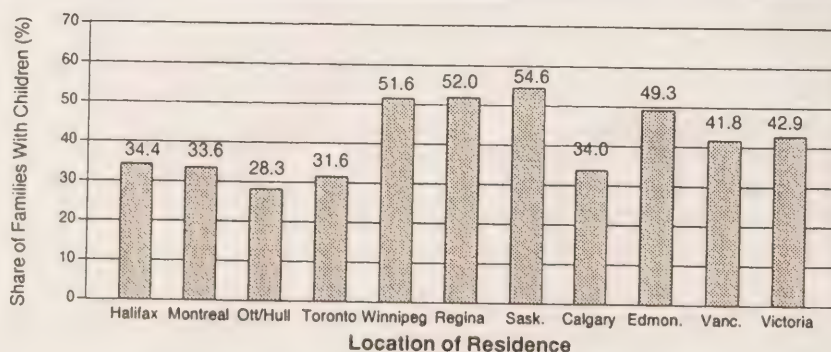
Characteristics of Migrants

Data concerning age, gender and family status reveal that women, young and lone-parent families were most likely to migrate. These demographic groups within the Aboriginal population remained the most likely to move and formed the bulk of the migrant population during the period. Of particular note in this regard, are the high concentrations of lone parent families among Aboriginal migrants to major urban centres. Lone parent families formed the majority of families with children among the

Aboriginal migrant populations residing in several of Canada's major urban centres (Figure 2).

In relation to their non-migrant counterparts, Aboriginal migrants possessed higher personal resources (in the form of educational attainment) and were more likely to be either attending school or participating actively in the labour market. Nevertheless, Aboriginal migrants experienced higher rates of unemployment than Aboriginal non-migrants in all locations except rural areas. Data for major urban areas with large Aboriginal populations clearly reveal that Aboriginal migrants to major Prairie

Figure 2:
Lone Parent Families as a Proportion of All In-Migrant Aboriginal Families
With Children, Selected Census Metropolitan Areas, Canada 1991



Source: Custom tabulations from the 1991 Census of Canada

urban centres experience the greatest economic difficulties in terms of the labour market and incomes. More than one-half of all Aboriginal migrant households in Winnipeg, Regina, Saskatoon and Edmonton reported incomes below the Statistics Canada low income cut-off in 1990. High rates of dependence on income assistance programs were also characteristic of Aboriginal migrants to these centres.

Reasons for Migration

In relation to other factors, family issues or housing-related matters were cited much more commonly as reasons for migration to Indian reserves. Although these same factors were also cited frequently by Aboriginal migrants off reserve, migrants to off-reserve locations were much more likely to report moving in response to employment (especially in the case of males) or community-related issues (in the case of females).

Residential Mobility in Major Urban Areas

Residential mobility (i.e. moves within the same community) was examined within the context of eleven major urban areas which contain large Aboriginal populations. Rates of residential mobility among Aboriginal ancestry households residing in these centres ranged from a low of 47 percent in Toronto to a high of 72 percent in Winnipeg during the 1986-1991 period (Figure 3). In all major urban areas considered, the residential mobility rate of Aboriginal households exceeded that of non-Aboriginal households by a large margin (about 1.8 times higher on average).

Large differences in rates of residential mobility were identified among various types of Aboriginal households. As expected, non-family households reported higher rates of mobility than families. Aboriginal lone parent families residing in Edmonton, Saskatoon, Regina and Winnipeg, however reported residential mobility rates exceeding 80 percent, a rate of mobility higher than that of non-families.

Data from the Aboriginal Peoples Survey concerning the reasons for moving confirm the importance of housing-related issues to residential mobility. Moves to improve housing conditions accounted for 51 percent of all residential moves. An additional 8 percent of residential moves was attributed to the availability of a housing unit. Family-related issues accounted for 14 percent of all moves. Involuntary or forced moves (e.g. fire, eviction) were reported by roughly 9 percent of all movers. All other factors, such as neighbourhood issues and accessibility issues, were cited much less frequently.

Housing Deficiencies Among Movers and Stayers

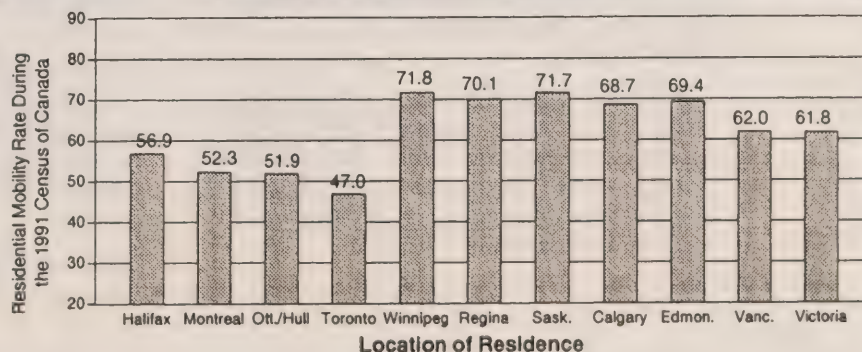
Aboriginal housing consumption was examined in relation to three commonly-accepted consumption standards: including affordability, adequacy and suitability. Although moving represents an opportunity for the household to bring housing consumption better in line with needs and resources, most Aboriginal moves resulted in housing circumstances which continued to fail accepted consumption standards. In all of the eleven urban centres examined, Aboriginal households that moved during the 1986-1991 period were considerably (at least 1.3 times) more likely than those that did not move, to experience at least one housing consumption deficiency.

Locational Patterns in Major Urban Areas

Analyses comparing the locational patterns of the Aboriginal and non-Aboriginal population revealed low to moderate levels of residential segregation in major urban areas. Tenure differences between the two populations are likely to account for much of the observed levels of segregation.

Housing-Related Matters Were Common Reasons for Migration

Figure 3:
Residential Mobility Rates During the 1986-1991 Period Among Households of Aboriginal Ancestry, Selected Census Metropolitan Areas, Canada, 1991.



Source: Custom tabulations from the 1991 Census of Canada

In most of the major urban areas examined, the Aboriginal population was geographically dispersed. Sizable Aboriginal enclaves were identified in only one urban centre, Winnipeg, where the Aboriginal population accounted for more than 20 percent of the total population residing in each of 14 Census tracts and formed the majority of the population residing in one Census tract. In only two other centres, Regina and Saskatoon, did the Aboriginal population of individual Census tracts exceed 20 percent of the total tract population.

Comparison of the locational patterns of Aboriginal migrants and non-migrants revealed that migrants tended to be located in the same areas as non-migrants. In-migration during the 1986-1991 period served to reinforce and expand existing concentrations of the Aboriginal population in most of the major urban centres.

Additional analyses comparing the locational patterns of Aboriginal movers and stayers did not reveal large differences between the two populations in any of the major urban areas examined. During the 1986-1991 period, the process of residential mobility did not contribute to significant changes in the geographical distribution of the Aboriginal populations in these urban areas.

Conclusion

Although 22 percent of the Aboriginal identity population moved to a new community between 1986 and 1991, migration in general had little impact on the geographic distribution of the population. From a geographic perspective, the most significant dimensions of Aboriginal migration during this period involved the continued migration to major urban areas and the return migration to Indian reserves. This latter dimension may have resulted, in part, from the effects of Bill C-31.

Migrants to larger urban centres tended to reside in areas with sizable existing Aboriginal populations thereby reinforcing and expanding existing population concentrations. In most of the centres examined, however, the Aboriginal population remains geographically dispersed and large Aboriginal enclaves are not common.

High rates of residential mobility and poor housing conditions characterize the Aboriginal populations residing in Canada's major urban areas. These situations are especially pronounced in the major Prairie urban centres of Winnipeg, Regina, Saskatoon, and Edmonton.

For the majority of Aboriginal households residing in major urban areas, the process of residential mobility does not result in the consumption of housing that meets accepted standards. Given this situation, high rates of residential mobility may reflect an additional dimension of the housing challenge confronting Aboriginal households in large cities.

This research highlight summarizes some of the findings in *Migration and Mobility of Canada's Aboriginal Population*. To obtain a copy of the report, call the Canadian Housing Information Centre (613) 748-2367. For further information, contact Mr. Denys Chamberland, Manager, Centre for Future Studies, CMHC, (613) 748-2812.

CMHC carries out and finances a broad range of research on the social, economic and technical aspects of housing. This CMHC Research and Development Highlights issue is one of a series intended to inform you briefly of the nature and scope of these activities.

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Research & Development Highlights

Socio-Economic Series

Revised Issue 23

Housing the New Family: Reinventing Housing For Families

Introduction

in recent decades, the traditional Canadian family — wage-earner father, homemaker mother and children — has been replaced by the dual-earner family as the most common family form. Families led by a single parent, usually a mother, have also become more common over the same period.

The changing structure and role of the Canadian family have implications for housing and communities.

This Research and Development highlight presents the results of a survey on the housing needs and preferences of young families. The survey indicates that young families remain strongly attracted to detached single-family homes located in suburbs. However, it also reveals that many young families are interested in communities that combine higher density housing with a variety of family-oriented services and amenities.

Methodology

The survey, conducted in 1993, randomly sampled 450 young families in Toronto, Montréal and Vancouver. (A young family was defined as including one or more children aged twelve or under living at home.) One hundred and fifty respondents were interviewed from each metropolitan area, and responses were weighted according to population.

The survey collected information on the housing status of respondents, their area of residence, socio-demographic background, distance and mode of travel to work, and the pressures related to work and family responsibilities. It asked respondents to indicate their preferences on a variety of issues related to housing, neighbourhoods, density and amenities, and asked about the appeal of a new housing model.

Housing And

Community

Design Can

Help Households

Balance Family

Responsibilities

Table 1
Current and Preferred Housing Form

	Total %	Toronto %	Vancouver %	Montreal %
Detached House				
Currently Live In	48	44	72	40
Would Prefer To Live In	80	83	89	71
Semi-Detached House				
Currently Live In	12	16	5	10
Would Prefer To Live In	4	3	3	6
Town House / Row House / Duplex / Triplex				
Currently Live In	19	14	16	25
Would Prefer To Live In	10	7	7	15
Apartment				
Currently Live In	22	25	7	25
Would Prefer To Live In	5	5	1	8

Cette publication est aussi disponible en français sous le titre *Loger la famille nouvelle : Réinventer le logement des familles*.

8 Of 10 Respondents Aspire To Own A Detached Single Family Home

Findings

Continuation of the Canadian Dream

According to Table 1, families continue to aspire to own a detached single family home. Eight of every ten respondents chose this housing form over all others when asked what type of dwelling unit they would like to move to in the next three to five years. This exceeds the percentage of respondents (48%) living in this dwelling type at the time of survey. Eight of every ten respondents also expressed a desire to own their own dwelling unit. However, as Table 2 shows, fewer respondents expected to own such a house in Montréal (77%) than in Toronto (84%) or Vancouver (85%).

Respondents were less enthusiastic about apartment housing. Whereas approximately one fifth of respondents were living in apartments, only one in twenty preferred this housing form. As with home ownership, housing preference varied by metropolitan area. Residents of Montréal were least likely to prefer the detached home, while Vancouver residents were most likely to prefer it.

A Suburban Lifestyle

When presented with the option of staying in their current area of residence or moving, almost three quarters of respondents would remain where they currently lived (see Table 3). One quarter of young families responded that they would move to another part of the city. Responses differed for various regions of the city: the proportion of families who would stay in the downtown centre, near downtown, or not too far from downtown was lower than the proportion of young families currently residing in these areas. In contrast, more families would choose to live in the suburbs (39%) than were residing there at the time of the survey (33%). The survey found these responses consistently in Toronto and Montréal; in Vancouver, no change in the percentage of families was recorded for the downtown area and the established residential areas near downtown.

With regard to neighborhood features, young families rank privacy as more important than family-oriented or community amenities (see Figure 1). When asked which neighbourhood features were important, more than 60 percent of respondents identified safety in the dwelling unit and area, privacy and sufficient indoor space and outdoor space; 40 to 60 percent listed parking, sound insulation and outdoor play areas for children. Fewer than four in ten respondents identified shops and services in close proximity, the existence of a strong neighborhood feeling and opportunities for volunteer or community activities.

Housing Density and Community Amenities

Despite these initial results, many respondents favoured housing that combines increased density with more family-oriented amenities and services. (Family amenities included child care, enclosed safe park space, and easy access to children's activities.) Assuming no price difference, half of the respondents preferred a community of semi-detached and row housing with many family amenities (Option 1) to one with detached houses and few family amenities (Option 2).

**Table 2
Comparison of Current and Anticipated Tenure**

	Total %	Toronto %	Vancouver %	Montreal %
Ownership				
Current	58	57	65	57
Anticipated	82	84	85	77
Rental				
Current	41	43	34	44
Anticipated	15	12	14	19

**Table 3
Current and Preferred Area of Residence**

Type of Area Respondents would select if moving in next 3 - 5 years

	Total %	Toronto %	Vancouver %	Montreal %
Same Type	72	69	81	71
New Type	25	29	16	26

Type of Area

Downtown Centre

Future	3	5	1	3
Current	5	7	1	5

Established Residential Area near Downtown

Future	20	20	23	19
Current	27	29	23	27

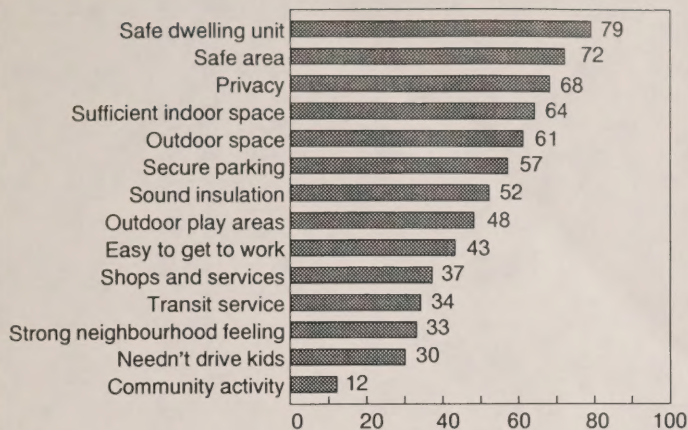
Older Suburb not too Far from Downtown

Future	26	26	35	23
Current	32	28	47	30

Newer Suburb near Metro Area Limits

Future	39	38	27	46
Current	33	33	23	38

Figure 1
Importance of Selected Characteristics:
Neighborhood, Activity and Housing



Among families who selected Option 1 (communities with higher residential densities and a variety of family amenities and services), the major factors were social, such as community spirit and play areas for children. In contrast, the major factors influencing the decision of families attracted to Option 2 were privacy and independence, the quantity of indoor and outdoor space, and the sense of peace and quiet.

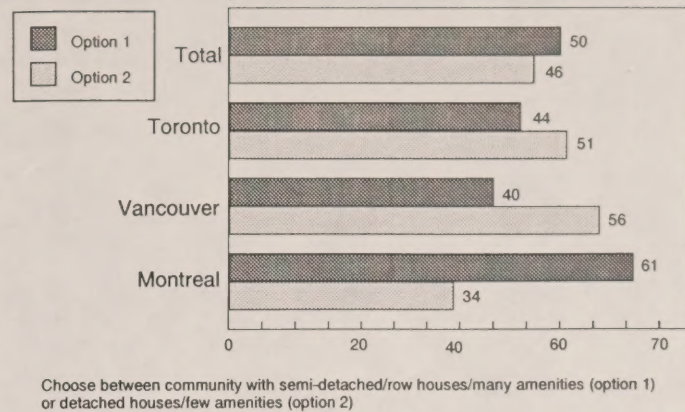
According to Figure 2, Montréal respondents were more likely to choose Option 1. In Vancouver, where seven in ten families lived in detached dwellings, just under 60 percent preferred Option 2. In Toronto, forty-four percent of respondents selected higher density housing with many services and amenities, while 51 percent of respondents chose detached dwellings in communities offering few services and amenities.

Family Characteristics

Families choosing Option 1 share common characteristics in household income, current housing situation and family structure. According to Figure 3, a majority of households earning less than \$40,000 (more than eight of every ten) found Option 1 (higher density housing in communities with a variety of family amenities) very or fairly appealing. In contrast, more than half the households earning more than \$70,000 did not find this housing form appealing. Fewer than two of every ten chose Option 1.

The appeal of higher density housing in communities with a variety of family amenities also varied with the current dwelling type of respondents. According to Figure 4, families living in detached dwellings were least likely to be interested in this housing form. In contrast, eight out of ten families living in apartments or condominiums found Option 1 very or fairly appealing. Only 21 percent of respondents living in apartments or condominiums were not attracted to this housing form.

Figure 2
The Density/Amenity Trade off: Preferences



Community Spirit And Play Areas Are Important Neighbourhood Features

Figure 3
Appeal of Option 1 by Household Income

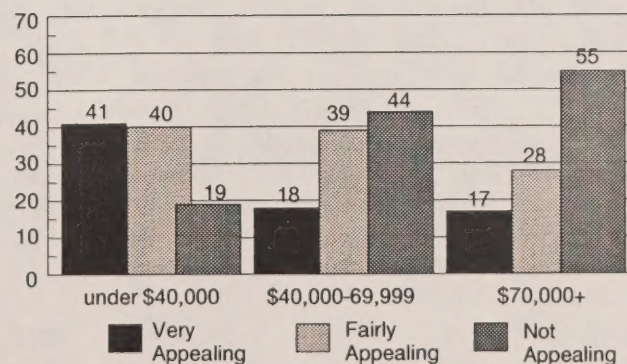


Figure 4
Appeal of Option 1 by Current Dwelling Type

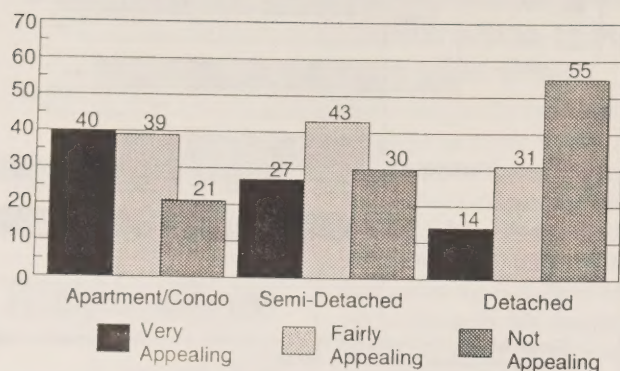
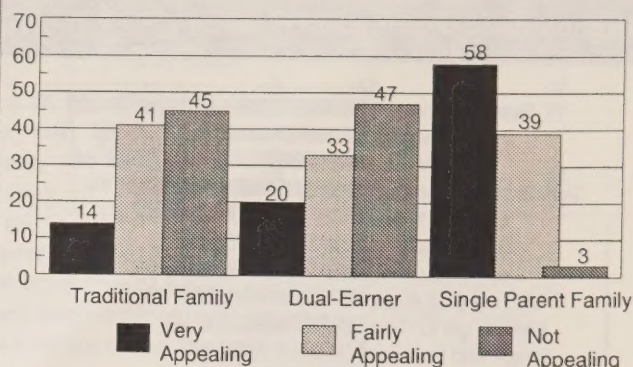


Figure 5
Appeal of Option 1 by Family Structure



Family structure was another characteristic that influenced the appeal of this housing form. Figure 5 illustrates that among the three family types, higher density housing in communities with a variety of family amenities and services received the lowest support from traditional families. Almost five in ten traditional families said this housing form was not appealing. In contrast, single-parent families (mainly led by mothers) exhibited the strongest support for Option 1. Only 3 percent of single parent families responded that this housing form held no appeal to them.

Conclusion

The housing stock must keep pace with changes to family structure and role. The so-called "traditional family" is now less prevalent than it was in previous decades. Today, dual-earner and single-parent families make up a significant proportion of Canadian households. Young families are willing to accept higher density housing if it comes with more family amenities. The challenge for the housing industry and community planning is to integrate family-oriented amenities and services into residential environments. The full report for this study presents case studies of eleven Canadian and European housing projects which have successfully combined higher density housing with a variety of family amenities and services.

This research highlight summarizes some of the findings in **Housing the New Family: Reinventing Housing for Families**. To obtain a copy of the summary or full report, call the Canadian Housing Information Centre, (613) 748-2367. For further information, contact Mr. Denys Chamberland, Manager, Centre for Future Studies, CMHC, (613) 748-2812.

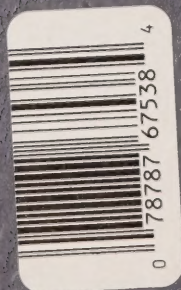
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